

The EU Sanctions Architecture against Russia

Effectiveness, Limits, and Strategic Options for 2026–2030

A comprehensive assessment of the political, economic, social, legal, hybrid, and compliance dimensions of the EU sanctions regime



EUROPEAN INSTITUTE FOR INNOVATION DEVELOPMENT



The EU Sanctions Architecture against Russia: Effectiveness, Limits, and Strategic Options for 2026–2030

Dr. Alexander Buychik

Ostrava–Opava, Czech Republic

2026

Imprint

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Designed by Tuculart Studio.

All the tables and figures were graphically designed ChatGPT partly.

Publisher:

European Institute for Innovation Development.

Edition:

Buychik, A. The EU sanctions architecture against Russia: Effectiveness, limits, and strategic options for 2026–2030. Ostrava, Opava: Tuculart Edition, European Institute for Innovation Development, 2026. — 800 p. (88.73 printed sheets)

ISBN 978-80-88474-43-2

DOI 10.47451/book-2026-06

For citation (in APA):

Buychik, A. (2026). *The EU sanctions architecture against Russia: Effectiveness, limits, and strategic options for 2026–2030*. Ostrava, Opava: Tuculart Edition, European Institute for Innovation Development.

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Abstract

Intended Audience of the Analytical Document

This analytical report is clearly designed for a high-level European policy readership rather than for a purely academic audience, because it consistently treats sanctions as a field of governance, legal engineering, coalition management, and forward policy design. It is directly relevant to members of the European Commission because it analyses implementation quality, guidance, compliance, legal precision, and the administrative operability of the sanctions regime, all of which fall within the Commission's practical policy universe. It is equally relevant to members of the Council of Europe and of the Parliamentary Assembly of the Council of Europe because the report repeatedly connects sanctions with questions of legality, proportionality, rights-sensitive design, democratic conditionality, institutional accountability, and the longer-term political transformation of Russia. It is suitable for members of PACE and for representatives of the Russian opposition platform linked to PACE because it does not reduce sanctions to punishment alone, but examines the conditions under which sanctions may alter elite incentives, institutional routines, and post-war political trajectories inside Russia. It is highly relevant to the foreign ministries of EU Member States because it links sanctions to coalition coherence, diplomatic signalling, non-normalisation policy, escalation management, and conditional easing logic. It is designed for heads of analytical centres across the EU because it offers an integrated model that connects politics, economics, law, hybrid measures, and compliance into one strategic framework. It is also well suited to researchers in global and regional politics, economics, security studies, and sanctions policy because it provides a multidimensional methodological approach rather than a polemical or purely descriptive one. Finally, it is useful for parliamentary advisers, national competent authorities, legal services, compliance strategists, and transatlantic policy interlocutors, because the report is explicitly framed as a diagnostic and forward-governance instrument for institutional use rather than as a commentary piece.

Relevance of the Topic

The topic is highly relevant because the report argues that, by 2026, sanctions against Russia have ceased to be an episodic response and have become a durable domain of European governance. The report insists that the central question is no longer whether sanctions merely exist, but how the accumulated regime functions across policy domains, where it generates real pressure, where it encounters limits, and under what conditions it can remain effective through 2030. This relevance is heightened by the fact that the sanctions regime is analysed against a background of prolonged war, Russian adaptation, coalition fatigue risks, and the need for legally sustainable long-term pressure rather than one-off symbolic action. The report also shows that the issue is not only external pressure on Russia, but the internal governability of the sanctions system inside the EU and among aligned partners. It further argues that the temporal structure of sanctions matters: some effects are immediate, but many of the most important effects are medium-term and long-term, especially in technology, logistics, finance, compliance, and institutional resilience. The topic is therefore relevant not merely for current crisis management, but for strategic statecraft, post-war conditionality, and the defence of the European security order. Its relevance also lies in the report's rejection of simplistic public formulas about sanctions "working" or "not working", replacing them with a more disciplined assessment of degradational, deterrent, coordinative, legal, and legitimising effects. In that sense, the document addresses one of the core policy problems of contemporary Europe: how to maintain credible, proportionate, and operationally effective coercive pressure against a large adaptive authoritarian state over a long horizon.

The Problematic Nature of EU, UK, and US Sanctions Policy towards Russia

The report presents sanctions policy as inherently problematic not because it is misguided, but because it must operate within a field of structural tensions.

The first problem is analytical: sanctions are often judged by an unrealistic standard of rapid direct coercion, whereas the report shows that their strongest effects lie elsewhere—in capability degradation, coalition coordination, legal durability, hybrid disruption, and compliance-based transmission.

The second problem is operational: Russia has adapted through rerouting, third-country facilitation, shadow logistics, proxy entities, and substitute infrastructures, which means that sanctions must increasingly target the viability of adaptation rather than only the original prohibited transaction.

The third problem lies on the sender side: unanimity requirements, administrative unevenness, transposition gaps, over-compliance, private-sector burden, and interpretative complexity limit what the EU and the wider coalition can do quickly and uniformly.

The fourth problem is political and legal: the EU must remain proportionate, reviewable, rights-conscious, and governable, which excludes some crude forms of maximalist coercion and makes sanctions simultaneously durable and constrained.

The fifth problem is strategic: once the most visible and easiest measures have already been adopted, additional sanctions may produce diminishing marginal returns unless they improve enforcement, closure, and prioritisation rather than merely adding volume.

The report also implies a transatlantic problem shared with the UK and US: the regime is most effective when measures are coalition-compatible and embedded in wider banking, shipping, insurance, export-control, and compliance practices beyond EU law alone. Accordingly, the sanctions question is not simply whether Europe, Britain, and the United States should keep sanctioning Russia, but how they should continue doing so in a way that remains sharper, clearer, harder to evade, and more politically governable over time.

Novelty of the Analytical Document

The novelty of the document lies in the fact that it does not treat sanctions as a list of packages or as a sequence of political reactions, but as an integrated architecture composed of political, economic, social, legal, hybrid, and compliance dimensions. It is innovative in methodological terms because it combines political economy, institutional-legal analysis, comparative-historical reasoning, and public policy effectiveness analysis into a single framework. It is also novel because it makes compliance and hybrid measures central rather than secondary, treating them as decisive conditions of real-world effectiveness. Another important innovation is its refusal of binary judgement: the report repeatedly argues that sanctions must be evaluated through differentiated functions and time horizons, not through a single headline test. The document is further distinguished by its emphasis on legal quality, guidance, update capacity, review discipline, and enforcement convergence as determinants of strategic durability. Its treatment of social sanctions is also unusual in that it evaluates them through proportionality, legitimacy, reversibility, and protected channels rather than through crude pain-maximisation logic. The report is especially original in its forward-looking design, because it does not merely describe the 2022–2025 record but systematically asks how the accumulated regime should evolve through 2026–2030 under conditions of continued Russian adaptation. In short, the novelty of the study lies in transforming the sanctions debate from declaratory controversy into a governance-based, evidence-sensitive, multi-domain assessment of strategic effect.

Brief Description and Conclusions for Each Part

Part One “*Introduction*” establishes the conceptual and methodological foundation of the whole study. It argues that sanctions against Russia must be analysed as a cumulative architecture of pressure rather than as disconnected packages or isolated acts. The Part shows that sanctions work through interactions between law, markets, institutions, compliance systems, and adaptive behaviour, and that Russian adaptation must be analysed as part of the same field rather than as evidence that pressure has disappeared. It insists that the most serious public misunderstanding is the binary formula according to which sanctions either “worked” or “did not work”. Instead, the report proposes a differentiated assessment across political, economic, social, legal, and enforcement dimensions. It also explains why

coordination with aligned partners matters, why data triangulation is essential, and why long-term legal-operational quality determines whether the regime remains usable and defensible. The Introduction therefore frames the document as both a diagnostic and a forward-governance instrument. Its main conclusion is that any serious assessment of sanctions against Russia must be multidimensional, mechanism-based, and future-oriented.

Part Two “*Sanctions in the Political Sphere and Their Effectiveness*” examines listings, visa and diplomatic restrictions, and restrictions on Russian information influence and media. It argues that political sanctions are strategically important not because they produced immediate Russian policy reversal, but because they narrowed Russia’s diplomatic room for manoeuvre, personalised responsibility, and institutionalised a durable regime of non-normalisation. The section treats listings as especially flexible tools because they combine signalling, legal restriction, coalition coordination, and partial disruption of facilitation networks. It also stresses that visa and diplomatic restrictions matter because they constrain status mobility, reduce the possibilities for routine political normalisation, and maintain the boundary between aggression and acceptable international conduct. At the same time, Part Two recognises structural limits, especially the risk of repetitive expansion without sufficient strategic precision. For 2026–2030, it argues that the future value of political sanctions will depend on network-oriented targeting, update tempo, evidentiary robustness, and anti-circumvention linkage rather than on sheer growth in the number of names or restrictions. The Part therefore concludes that political sanctions are indispensable as a governance track of delegitimation and coalition discipline, even though they are not an autonomous instrument of strategic capitulation.

Part Three “*Sanctions in the Economic Sphere and Their Effectiveness*” identifies the economic track as the strongest source of directly observable structural pressure on Russia. It analyses financial sanctions, energy restrictions, trade-industrial controls, technology denial, and transport-logistics constraints, arguing that the EU materially compressed one of the most important external interfaces of the Russian economy. The report does not claim that these measures caused systemic collapse or total isolation. Instead, it concludes that they worsened the conditions under which Russia can finance, insure, ship, import, service, and technologically reproduce a war economy. Part Three further argues that the most meaningful economic effects are cumulative and degradational rather than spectacular and immediate. It also emphasises that macro-level resilience does not invalidate structural deterioration, because an economy may preserve activity while shifting towards lower-quality, maintenance-heavy, and more costly forms of reproduction. For 2026–2030, the section recommends more sophisticated forms of pressure, especially secondary sanctions logic, carefully designed extraterritorial tools, and stronger linkage between sanctions and energy-decarbonisation governance. Its conclusion is that the future effectiveness of economic pressure will depend less on adding abstract bans and more on conditioning access to markets, services, and infrastructures that are difficult to replace.

Part Four “*Social Sanctions and Their Effectiveness*” treats social sanctions as the most normatively delicate and politically constrained domain of the entire architecture. It studies visa mobility, consumer restrictions, everyday financial frictions, social costs, humanitarian thresholds, over-compliance, and the limits of sanction acceptability. The Part explicitly rejects the idea that social sanctions should be judged by the degree of pain they inflict on the population. Instead, it argues that their strategic utility lies in raising the cost of social normalisation, constraining status mobility, complicating elite-society interfaces linked to the Russian system, and creating selective friction in cross-border routines. At the same time, the report insists that this domain is legitimate only when it remains proportionate, precise, reversible, and bounded by protected humanitarian, educational, family, and civil-society channels. It warns strongly against over-compliance, discrimination, and collective exclusion. For the period to 2030, the Part supports continuation only in the form of carefully governed and ethically disciplined measures. Its conclusion is that social sanctions can remain useful, but only as calibrated instruments of constrained normality rather than as a diffuse politics of hostility towards Russian society as a whole.

Part Five “*Sanctions in the Legal Sphere and Their Effectiveness*” argues that sanctions remain effective only when they are legally intelligible, updateable, defensible under review, and capable of consistent implementation. It studies the normative architecture of asset freezes, non-recognition and non-enforcement mechanisms, service restrictions, intellectual-property constraints, litigation pressure, derogations, private-law frictions, and the long-term legal resilience of the regime. The central idea of this Part is that legal sanctions matter because they make the broader regime governable: they reduce arbitrariness, sustain legitimacy, preserve proportionality, and protect the system against erosion through fragmented interpretation or judicial weakness. At the same time, the report warns that legal sophistication can become a vulnerability if complexity outpaces usability and creates burdens that the regime cannot absorb. The discussion of resilience stresses three key pillars: clarity, precision, and update capacity. For 2026–2030, the Part advocates better drafting discipline, stronger enforcement coordination, controlled derogations, and more systematic monitoring and legal-quality feedback loops. Its conclusion is that the EU’s legal sanctions regime has become durable and strategically valuable, but that its future strength will depend on continued legal craftsmanship rather than on accumulation alone.

Part Six “*Hybrid Sanctions Measures*” shows that hybrid sanctions have become central to the mature phase of the Russia regime because Russia’s adaptation has increasingly relied on intermediary jurisdictions, shadow logistics, service fragmentation, opaque ownership structures, and proxy infrastructures. The report defines hybrid sanctions as cross-domain restrictive architectures in which law, market behaviour, reputational risk, logistics, service denial, compliance, and anti-circumvention all interact. This Part therefore moves beyond conventional categories such as purely political or purely economic sanctions and argues that contemporary restrictive policy works through the systems that keep prohibited activity feasible. It also demonstrates that hybridisation often depends on market withdrawal and de-risking, not only on formal legal prohibition. At the same time, the section is not triumphalist: it emphasises that hybrid measures are management-intensive, evidence-dependent, and highly sensitive to partner alignment and administrative capacity. Their long-term value is therefore conditional on maintenance quality. The main conclusion is that hybrid sanctions are among the most promising tools through 2030, provided they are continuously updated, integrated with anti-circumvention intelligence, and supported by strong compliance conversion rather than treated as a static body of prohibitions.

Part Seven “*Sanctions Compliance Architecture*” treats compliance not as a technical appendix to sanctions law, but as the operational transmission mechanism of the entire regime. It analyses screening, beneficial-ownership checks, trade-control due diligence, payment and insurance controls, licensing, audit trails, over-compliance risks, public-private interaction, and the limits of detection capacity. The report argues that sanctions law becomes real only when it is translated into documented, auditable, risk-based decisions by banks, exporters, insurers, carriers, service providers, and supervisory authorities. This Part therefore places compliance at the centre of sanctions effectiveness. It also shows that weak compliance can render even a strict legal regime porous, while high-quality compliance can multiply deterrent and disruptive effects across other domains. At the same time, it warns that excessive burden, fragmentation, and unclear guidance can make the system defensive, overcautious, or strategically blunt. For 2026–2030, the section expects a denser, more data-dependent, more networked, and more continuously supervised compliance architecture. Its core conclusion is that the long-term effectiveness of sanctions will depend less on the abstract existence of obligations and more on whether the cost of lawful compliance remains lower than the expected gains from evasion.

Part Eight “*Analytical Conclusions*” integrates the six substantive dimensions and offers the report’s mature overall judgement. It argues that the EU sanctions regime against Russia has been strategically consequential, but that its strongest effects lie in capability degradation, coalition coordination, legitimising consolidation, and institutional maturation rather than in rapid direct coercion. The section ranks the six tracks comparatively and concludes that economic pressure, hybrid disruption, legal resilience, and compliance conversion have been stronger in operational terms than social pressure or

expectations of immediate political reversal. It also stresses that sanctions-based coercion against a large adaptive authoritarian state faces deep structural limit. Russia's adaptation, however, is analysed not as neutralisation, but as a more costly, riskier, and more opaque form of survival under pressure. Part Eight is especially important because it clarifies that sanctions may contribute to political transformation inside Russia only indirectly and through mediated channels such as fiscal constraint, technological degradation, institutional mutation, and altered elite calculations. It therefore rejects both fatalism and triumphalism. Its conclusion is that sanctions remain strategically meaningful when judged by cumulative degradation and strategic narrowing, but they should not be evaluated by the implausible standard of instant capitulation.

Main Findings of the Analytical Document

The document's main finding is that EU sanctions against Russia should be understood as a durable, increasingly sophisticated, and institutionally dense regime of European governance rather than as a temporary punitive episode. Its second major finding is that the sanctions regime is strategically significant precisely because it has moved beyond declaratory politics into repeatable institutional practice. The strongest effects identified across the report are degradational, coordinative, legal, and compliance-related rather than directly coercive in the narrow sense. The report repeatedly confirms that political sanctions sustain coalition discipline and non-normalisation, economic sanctions impose the strongest material pressure, legal sanctions preserve governability and legitimacy, hybrid sanctions target the enabling systems of adaptation, and compliance makes formal law operationally real. A further major finding is that Russia's adaptation has been real but not neutralising, because workarounds have generally become costlier, riskier, and more dependent on fragile substitute infrastructures. Another core conclusion is that the limits of sanctions lie not only in Russia's resilience, but also in the EU's own legal, political, and administrative constraints. The report therefore rejects maximalist assumptions of frictionless escalation and instead treats governability inside the sender coalition as a decisive condition of credible pressure. Overall, the central analytical outcome is clear: the sanctions regime has not delivered instant coercive breakthrough, but it has produced sustained strategic narrowing of Russia's room for manoeuvre and has built a mature architecture of long-duration pressure worth preserving and refining.

Main Proposals for the Development of Sanctions Policy

The document's proposals are not based on rhetorical escalation, but on sharper and more technically disciplined strategy. In the political domain, it recommends preserving the regime of non-normalisation while deepening personalisation, network mapping, and function-based targeting. In the economic sphere, it supports more selective and infrastructure-oriented pressure, including carefully calibrated secondary sanctions, practical extraterritorial leverage, and stronger embedding of sanctions logic in decarbonisation and market-access governance. In the hybrid field, it recommends a continuously managed system of adaptive constraint rather than a static accumulation of prohibitions. In the legal and compliance domains, it argues for governable precision: better drafting, clearer guidance, stronger enforcement convergence, better prioritisation of high-value nodes, and more usable compliance architecture for operators beyond the largest institutions. In the social domain, it proposes caution, selectivity, and ethical discipline, preserving visible but normatively bounded restrictions while protecting humanitarian, educational, family, and civil-society channels. One of the most important recommendations concerns a possible future peace agreement: the report explicitly supports conditional easing without automatic restoration, arguing that many sanctions directions should remain in force until there is reliable evidence of non-recurrence, verified compliance, reduced war-enabling capacity, and dismantled circumvention infrastructures. Taken together, these proposals amount to a single strategic line: fewer maximalist gestures, more calibrated pressure, better closure, stronger enforceability, and a sanctions regime that remains effective because it is governable.

Prospects for Using the Materials of this Analytical Document

The materials of this report have clear practical value for future European policy work. They can be used as a strategic briefing document for EU institutions, Member State foreign ministries, parliamentary bodies, and sanctions-working groups because they provide an integrated framework for assessing effect, limitation, and future policy choice. They can also support legal and administrative calibration by showing where drafting precision, derogation design, guidance quality, and enforcement convergence determine whether the regime remains durable. For compliance authorities, regulators, and major operators, the report offers a structured understanding of how risk-based control, anti-circumvention logic, and practical implementation interact. For think tanks and academic institutions, it provides a methodological model for moving beyond simplistic debates and for comparing sanctions across multiple domains and time horizons. For parliamentary and diplomatic actors, it offers language and reasoning for sustaining non-normalisation while avoiding analytically weak maximalism. The document also has value for scenario planning, because it treats 2026–2030 not as a passive continuation of existing packages, but as a period of managed refinement under conditions of adaptation and possible partial de-escalation. It can therefore serve as a reference text for the design of conditional easing models, peace-related sanctions conditionality, and long-term Russia policy inside Europe. In the broadest sense, the report's prospective usefulness lies in the fact that it is explicitly built for institutional use: it is intended to support calibration, governability, and disciplined strategic judgement rather than transient public argument.

General Introduction

This report examines the sanctions architecture of the European Union and aligned partner jurisdictions against the Russian Federation as a structured regime of restrictive measures, regulatory controls, and implementation practices rather than as a simple sequence of political decisions. It proceeds from the view that, by 2026, sanctions policy has become a durable field of European governance in its own right, with established legal instruments, administrative routines, enforcement expectations, and strategic review requirements. In that context, the central analytical task is not limited to describing measures already adopted. It is to assess how the overall regime functions across policy domains, where it generates effective pressure, where it encounters operational limits, and under what conditions its longer-term leverage may either consolidate or erode. The report therefore treats sanctions as an integrated architecture composed of political signalling, trade and financial restrictions, service prohibitions, legal controls, anti-circumvention mechanisms, and compliance systems. Such an approach is necessary because the real effect of restrictive measures is produced cumulatively, through interaction between instruments, institutions, markets, and adaptive behaviour. Measures that appear modest in isolation may become materially significant when combined with parallel controls, guidance, reputational risk, and transaction-cost escalation. Conversely, measures that are robust at the level of legal drafting may deliver weaker results if monitoring, implementation, or international coordination remain uneven. The purpose of this Introduction is to set out the conceptual logic, analytical scope, and policy relevance of the assessment that follows.

From a Brussels policy perspective, the effectiveness of sanctions cannot be reduced to a single indicator or a binary judgement. Restrictive measures are adopted for multiple purposes and operate through different channels over different time horizons. Some are intended primarily to signal political resolve, clarify the Union's normative position, and sustain external coalition coherence. Others are designed to constrain Russia's access to capital, technology, advanced services, logistics, markets, or legally usable assets. Still others seek to raise the cost of circumvention, reduce the efficiency of re-routing, or narrow the availability of enabling infrastructures outside the Union. A credible assessment must therefore distinguish between coercive effect, degradational effect, deterrent effect, coordinative effect, and legitimising effect. It must also recognise that these functions are not mutually exclusive and may reinforce one another in practice. For that reason, the present report does not ask whether sanctions "work" in the abstract. It asks how different categories of restrictive measures perform within a wider policy architecture and how that performance should be interpreted in light of strategic objectives, implementation capacity, and adaptive responses.

The report also starts from a proposition that is often insufficiently acknowledged in public discussion: sanctions against Russia can be assessed properly only in connection with the internal structure and adjustment mechanisms of the Russian state, economy, and society. Restrictive measures do not operate in an institutional vacuum. They affect a polity already marked by wartime fiscal priorities, state-led redistribution, administrative centralisation, sectoral asymmetries, external reorientation, and differentiated forms of social adaptation. Their practical impact depends not only on formal legal scope, but on the way, costs are absorbed, deferred, concealed, socialised, or shifted across sectors and institutions. For this reason, the report treats the domestic condition of the Russian Federation not as background context but as an explanatory component of sanctions analysis itself. Budgetary pressures, technological substitution, trade redirection, labour-market strain, deterioration in service quality, and changes in elite incentives all matter for judging whether external pressure is material or merely symbolic. Equally, visible adaptation cannot automatically be interpreted as evidence of neutralised pressure. Adaptation may reflect resilience, but it may also reflect costly adjustment, declining quality of substitution, or growing dependence on narrower channels of support. A serious policy assessment must therefore examine both pressure and adaptation as elements of the same analytical field.

A further reason for adopting a multidimensional approach lies in the temporal structure of sanctions policy. Some measures are designed to communicate immediate political resolve and to alter expectations rapidly. Others are intended to impair capabilities gradually by constraining investment cycles, technological renewal, legal-operational capacity, and access to complex international services over a longer period. In the Russian case, short-term stabilisation in selected macroeconomic indicators may coexist with medium-term deterioration in productivity, technological quality, institutional efficiency, or sectoral flexibility. The absence of immediate systemic collapse does not, in itself, demonstrate the absence of meaningful pressure. Nor does the existence of adaptive channels invalidate the cumulative effects of long-duration restrictions. It is therefore necessary to distinguish between immediate shock absorption, medium-term restructuring, and longer-term capability erosion. This temporal differentiation is essential for any forward-looking assessment covering the period 2026–2030. The report accordingly evaluates sanctions not only in terms of observable outcomes to date, but also in terms of delayed effect, institutional durability, and future policy leverage.

The Union’s restrictive measures must moreover be examined in the wider context of coordination with partner countries and jurisdictions. The practical force of many sanctions depends on the extent to which they are synchronised with parallel controls in finance, trade, insurance, transport, energy-related services, export controls, and enforcement practice beyond the EU legal order strictly understood. Even where the Union acts through its own autonomous legal instruments, the effect of those instruments is conditioned by the degree of external alignment, information exchange, and mutual reinforcement with aligned partners. Gaps in coordination may create exploitable asymmetries, while stronger convergence may transform otherwise limited measures into more consequential constraints. The sanctions regime is therefore both European and transnational in its operational reality. A narrow reading of EU acts alone may obscure the environment in which private actors assess risk, counterparties re-route transactions, and intermediaries test the boundaries of permissible conduct. For that reason, the report takes the EU framework as its core reference point while situating it within the broader architecture of aligned pressure. This is necessary to understand not only the scope of the regime, but also its actual strategic weight.

The legal dimension of the sanctions’ regime is central to the present assessment. Restrictive measures adopted by the Union do not derive their effect solely from political intent or declaratory value. They depend on a complex normative and institutional structure involving Council acts, implementing measures, interpretative guidance, derogations, licensing arrangements, national enforcement frameworks, administrative practice, and judicial review. In operational terms, the meaning of a measure is shaped by the precision of its definitions, the coherence of related provisions, the manageability of compliance expectations, and the defensibility of enforcement decisions. The quality of legal drafting is therefore not a secondary technical matter. It is one of the principal determinants of whether a sanctions regime remains enforceable, scalable, and resilient under pressure. Measures that are too vague may generate uncertainty and uneven application. Measures that are too rigid, without calibrated derogations or protected pathways, may produce avoidable friction, over-compliance, or litigation risk. The report therefore gives sustained attention to the relationship between normative ambition and legal-operational quality across the sanctions’ architecture.

Closely linked to the legal sphere is the question of implementation through compliance. In practice, restrictive measures shape behaviour not when they are merely published, but when they are translated into screening protocols, licensing decisions, due-diligence procedures, beneficial-ownership checks, contractual restrictions, shipping controls, banking alerts, and internal risk judgements. Compliance is thus not a peripheral adjunct to sanctions policy. It is one of the principal transmission mechanisms through which law is converted into economic and institutional effect. The behaviour of banks, insurers, exporters, freight operators, advisers, service providers, and corporate compliance teams significantly conditions the strength of the regime. At the same time, compliance systems can generate side effects, including fragmentation, legal uncertainty, defensive de-risking, excessive caution, and uneven burdens across Member States and sectors. A mature policy assessment must therefore examine both the

disciplining function and the frictional consequences of compliance practice. This is especially important in the context of anti-circumvention policy, where effectiveness often depends less on headline prohibitions than on the quality of risk detection, information sharing, and operational follow-through. For a Brussels readership, this is not a technical afterthought but a core governance issue.

The hybrid dimension is equally important because sanctions no longer operate exclusively through easily separable legal and economic channels. In the current environment, restrictive measures interact with transport networks, logistics hubs, intermediary jurisdictions, shell and proxy structures, service fragmentation, information asymmetries, and adaptive commercial practices that cut across conventional policy categories. Hybrid enabling structures can undermine the effect of formally robust measures by dispersing transactions across jurisdictions, actors, and legal forms that complicate attribution and enforcement. They can also create grey zones in which the distinction between lawful avoidance, regulatory arbitrage, and prohibited circumvention becomes more difficult to police. This requires policymakers to analyse sanctions not only as static rules, but as part of a dynamic environment of evasion, substitution, re-routing, and institutional learning. The report therefore includes a specific hybrid section not as a conceptual embellishment but as a necessary response to the changing operational landscape. Where conventional classifications become less adequate, policy analysis must become more integrated rather than less precise. Hybrid pressure and hybrid circumvention are now part of the ordinary reality of sanctions governance. Any forward-looking assessment that ignores this would be incomplete.

The evidential basis for sanctions analysis also requires careful handling. Policy discussion in this area is often affected by partial data availability, uneven reporting standards, selective disclosure, delayed statistical releases, and the politicisation of interpretation. In the Russian case, these difficulties are intensified by opacity in certain official datasets, reclassification of sensitive indicators, and the uneven comparability of domestic and international sources. Under such conditions, analytical discipline becomes especially important. No credible report can rely on a single statistical narrative or treat contested figures as self-sufficient proof of either success or failure. Instead, it is necessary to triangulate across European, Russian, international, sectoral, legal, and market-based sources wherever possible, and to read discrepancies as analytically meaningful rather than merely inconvenient. The aim of this report is therefore not to produce declarative certainty where the evidence does not permit it. It is to offer a structured and policy-useful interpretation of available evidence, while remaining attentive to data limitations, methodological caution, and the difference between short-term visibility and longer-term structural significance.

A further premise of the report is that sanctions policy must be judged not only by the pressure it imposes on the target state, but also by the extent to which it remains legally sustainable, administratively manageable, and politically maintainable within the Union and across the wider coalition. Restrictive measures that are poorly calibrated may create excessive burdens for legitimate operators, encourage divergent national practice, or weaken confidence in enforcement consistency. Equally, a regime that becomes too complex to interpret or too fragmented to administer may lose effectiveness even while appearing stringent on paper. From that perspective, the policy challenge for 2026–2030 is not simply one of expansion. It is also one of maintenance, refinement, legal resilience, and governance quality. Protected derogations, humanitarian carve-outs, clearly defined exemptions, and structured review clauses should not automatically be regarded as signs of dilution. In many cases, they are necessary elements of proportionality, legitimacy, and long-term operability. The report therefore treats sanctions policy as a dual exercise in external pressure and internal institutional stewardship. This duality is essential for understanding how the regime can remain both credible and governable over time.

The structure of the report reflects this broader understanding of sanctions as a multi-domain policy architecture. The political sections address signalling, diplomatic restriction, external coalition management, and the narrowing of Russia's room for international manoeuvre. The economic sections examine sectoral disruption, trade restrictions, financial constraints, technological deprivation, and the changing character of macroeconomic and industrial resilience. The social sections consider mediated

effects on labour conditions, household welfare, service access, mobility, and the differentiated social costs of prolonged external constraint. The legal sections focus on the normative architecture of restrictive measures, including asset freezes, service restrictions, derogations, judicial scrutiny, and the long-term defensibility of the legal framework. The hybrid sections analyse cross-domain instruments and enabling structures that complicate straightforward policy categorisation. The compliance sections examine implementation capacity, private-sector transmission, anti-circumvention vulnerabilities, and enforcement-related governance challenges. The concluding section then brings these strands together into an overall assessment of effectiveness, structural limits, and policy options for the period ahead. The intention is to provide a differentiated but coherent analytical framework suitable for institutional use.

Particular emphasis is placed on the legal, hybrid, and compliance dimensions because these are increasingly decisive for the maturity and resilience of the sanctions' regime. Political intent and legislative breadth remain important, but they are no longer sufficient benchmarks of policy quality. A sanctions architecture may be ambitious in design yet underperform in practice if definitional precision is weak, guidance remains uneven, evidential thresholds are unclear, or circumvention patterns evolve faster than enforcement methods. By contrast, a more narrowly framed measure may produce significant effects if it is clearly drafted, well communicated, consistently monitored, and effectively embedded in compliance practice across relevant sectors. The same logic applies to the interaction between hybrid adaptation and regulatory response. When intermediary jurisdictions, proxy actors, and layered service arrangements expand, sanctions governance must become more anticipatory, more coordinated, and more evidence-driven. The report therefore treats these domains not as specialist annexes, but as central to the future operability of the regime. They are the areas in which policy sophistication is most likely to determine whether the Union preserves or loses effective leverage.

The prospective horizon of 2026–2030 is especially important in that regard. By this stage, the issue is no longer merely the adoption of additional packages, but the quality of the accumulated regime and its capacity to remain strategically relevant under conditions of continued Russian adaptation. Some measures are likely to retain substantial force because they constrain access to complex technologies, capital-intensive renewal, specialist services, and legally usable economic resources that are not easily replaced. Other measures may face diminishing returns if re-routing routes stabilise, third-country facilitation becomes more entrenched, or private compliance burdens begin to outpace the practical gains of further formal expansion. New vulnerabilities may also emerge in areas that were previously regarded as secondary. At the same time, political sustainability within the Union cannot be assumed automatically and requires a regime that remains proportionate, intelligible, and administratively workable. The present report is therefore designed as both a diagnostic and a forward-governance instrument. Its concern is not simply with what sanctions have done, but with how the current architecture is likely to perform under changing strategic conditions and what adjustment triggers should inform policy recalibration over the medium term.

This orientation has direct implications for the type of recommendations the report is intended to support. The purpose is not to endorse maximalism for its own sake, nor to dilute restrictive policy through excessive caution. Rather, the report seeks to identify where additional pressure is likely to be effective, where legal and operational refinement is more valuable than formal proliferation, and where the current regime may be generating avoidable frictions without corresponding strategic benefit. Recommendations in this field must be evidence-led, legally disciplined, and operationally realistic. They should take account of proportionality, clarity, enforceability, coalition durability, and the need to reduce opportunities for circumvention without undermining protected pathways or legitimate activity. In practice, this means that effective policy development may involve not only new measures, but also better drafting, more coherent guidance, improved monitoring, stronger coordination, and more regular review mechanisms. The report is therefore structured to support calibration rather than rhetorical escalation. Such an approach is consistent with the needs of a Brussels policy audience concerned with governability as much as with political intent.

Against that background, the present document should be read as an analytical report on sanctions as an evolving field of European governance under conditions of prolonged geopolitical confrontation. It does not assume uniform effects across all domains, nor does it treat visible Russian adaptation as proof of sanctions irrelevance. Instead, it proceeds from the premise that serious policy analysis must identify variation in mechanism, timing, scope, resilience, and institutional quality. The report therefore evaluates sanctions against Russia through six interconnected dimensions: political, economic, social, legal, hybrid, and compliance. It examines the extent to which these dimensions reinforce one another, the points at which they diverge, and the structural constraints that limit the coercive capacity of sanctions-based policy. It also considers the conditions under which restrictive measures may still contribute to longer-term political and institutional transformation within the Russian Federation, even where immediate policy reversal is not observable. In that sense, the report is intended to assist expert readers in moving beyond declaratory controversy towards a more disciplined assessment of strategic effect. The Introduction establishes the basis for that task and frames the chapters that follow as components of a single integrated examination of the EU sanctions architecture against Russia.

PART ONE

Introduction

1.1. Objectives and Tasks of the Analytical Study

1.1.1. Rationale for the Need for a Comprehensive Analysis of the EU and Partners' Sanctions Architecture

The contemporary sanctions regime against the Russian Federation is not a set of fragmented restrictive measures but a complex, multi-level, and dynamically evolving architecture of foreign-policy, legal, and economic pressure. Its analysis requires not a piecemeal description of individual sanctions packages, but a systemic examination of the entire body of legal acts, political decisions, enforcement mechanisms, compliance instruments, and actual consequences for the state subject to sanctions pressure. In the context of Russia's prolonged war against Ukraine, the sanctions policy of the EU, together with that of aligned partners, has ceased to be an exclusively reactive instrument and has acquired the character of a strategically structured regime with features of institutional durability. This means that the study must take into account not only the substance of the restrictions but also their internal logic, the sequence of their expansion, the interrelationship between packages, and the degree of coherence across different jurisdictions. Without such an approach, there is an inevitable risk of superficial conclusions in which the number of adopted packages is mistakenly substituted for an assessment of the quality of sanctions design and the effectiveness of specific pressure mechanisms. For a special analytical issue aimed at a serious assessment of the social, economic and political condition of Russia, it is particularly important to move from a descriptive model to a structural analysis of the sanctions system as a factor in the transformation of the Russian state's external and internal contours. A comprehensive analysis is also necessary because sanctions do not operate linearly, but through a network of mediated effects: institutional, market, financial, demographic, behavioural, and managerial. Accordingly, the study must be structured so as to capture both direct and delayed consequences of sanctions pressure, including mechanisms of adaptation, circumvention, and compensatory restructuring. This constitutes the initial methodological foundation of the present analytical document.

The need for a comprehensive analysis is also determined by the fact that the sanctions policy of the EU and its partners in 2022–2025 developed in a mode of continuous escalation, refinement, and technological complication. Initial measures, oriented towards political signalling and rapid restrictive effect, were subsequently supplemented by sectoral sanctions, anti-circumvention measures, service bans, transport and logistics restrictions, strengthened mechanisms for monitoring compliance with the sanctions' regime, and instruments targeting third countries and intermediaries. Such evolution requires an analytical framework capable of distinguishing the objectives of the "first wave" of sanctions from the tasks of later packages, including the adjustment of previously introduced norms, the closure of loopholes, and the enhancement of enforceability. If sanctions are analysed only chronologically, without distinguishing functional blocks, it becomes difficult to understand which measures are intended as symbolic and political pressure, which are aimed at the structural weakening of the resource base, and which are designed to increase the cost of sanctions circumvention for Russian and external actors. Moreover, in legal terms, the EU sanctions' packages themselves are implemented through a series of amendments to the basic regulations and decisions, which creates a specific cumulative legal structure. This means that the researcher must consider not only the moment when a particular measure was introduced, but also its place within the chain of legal amendments and institutional

coordination. For a sound analysis of sanctions effectiveness, it is essential to trace how priorities shifted: from the rapid restriction of access to finance and technology to targeted pressure on energy revenues, logistics, the shadow fleet, payment infrastructure, and re-export schemes. Otherwise, critical analysis is replaced by a mere listing of measures without understanding their strategic interconnection. Consequently, a comprehensive approach is not merely desirable but an obligatory condition for the scholarly and analytical robustness of the document.

A separate rationale for a comprehensive analysis lies in the problem of assessing sanctions effectiveness, which in public discourse is often reduced to simplified binary formulas: “sanctions work” or “sanctions do not work”. Such framing is methodologically insufficient, since sanctions effectiveness is a multidimensional category. In reality, sanctions may be partially effective in some areas (e.g., restricting technological imports, complicating financial operations, and increasing transaction costs), while being considerably less effective in others (e.g., rapidly coercing a change in foreign-policy course). In addition, the effects of sanctions may materialise with a substantial time lag, including through the degradation of the investment cycle, technological ageing, declining quality of infrastructure reproduction, changes in the budget structure, and increasing dependence on a limited circle of external partners. For this reason, the present document proceeds from the need to analytically distinguish at least four levels of assessment: normative-political effectiveness, economic effectiveness, social effectiveness, and enforcement/compliance effectiveness. This approach makes it possible to avoid both propagandistic exaggeration of sanctions effects and their unfounded denial. It also creates conditions for a more precise assessment of which elements of the sanctions architecture possess long-term transformative potential and which operate primarily as instruments of foreign-policy signalling and international coordination. For a special issue devoted to the condition of Russia, this is particularly important, since the study must not merely record the existence of sanctions, but explain how they alter the parameters of the functioning of the state, economy, and society. Comprehensive analysis therefore serves as an instrument for moving from declarative assessments to evidence-based analytics.

A substantial reason for the need for a comprehensive examination of the sanctions’ architecture is that the EU does not act in isolation; rather, the sanctions regime is formed in coordination with partners, above all the G7 countries and a number of other states that have joined restrictive measures in whole or in part. This creates a multilayered sanctions environment in which measures adopted in different jurisdictions may reinforce one another, duplicate one another, come into technical tension, or leave zones of regulatory gaps. For a proper analysis, it is impossible to confine oneself solely to the texts of EU legal acts: it is necessary to take account of the institutional logic of coordination, the mechanisms of synchronisation in sensitive sectors (finance, energy, export control), and differences in enforcement practices. For this reason, the present study treats the sanctions architecture as a system that includes not only European regulations and decisions but also external contours of compatibility, which affect the actual strength of the measures. For example, the same sanctions measure may display high formal stringency in the legal text, yet be reduced in practical effectiveness because of uneven control, differences in national enforcement, or the existence of alternative routes through third countries. Conversely, even a relatively narrow measure may produce a significant effect if embedded in a coordinated international mechanism of control and monitoring. Accordingly, an objective assessment of EU sanctions policy requires analysis not only of its internal legal structure but also of the international context of implementation. Such an approach corresponds to the practice of European policy analysis, in which sanctions effectiveness is considered through the prism of coherence, enforceability, and cumulative impact. In the context of this document, this avoids the error of reading European measures in isolation and enables a more realistic assessment of their role in the international pressure regime directed at Russia.

Another key reason for the need for a comprehensive analysis is the necessity of critically assessing not only the content of sanctions but also the quality of the data on which conclusions about their effectiveness are based. In relation to Russia, this acquires particular significance in view of repeatedly observed problems of statistical transparency, changes in data publication practices, reduced

openness of certain indicators, and discrepancies between Russian official series and international estimates. If an analytical document is to claim a high evidential standard, it cannot rely exclusively on statistics from Russian pro-government institutions without comparison with European, American, and international sources. Therefore, the comprehensive analysis of sanctions architecture in this project inherently includes data triangulation and source-reliability assessment as part of the research procedure. This means that the empirical basis of the study will be formed on the principles of comparability, verification, and the identification of discrepancies, and that discrepancies themselves will be treated not as a technical nuisance but as an analytically significant sign of data quality and the degree of transparency of the institutional environment. This approach is especially important for assessing the economic and social effects of sanctions, where methodological differences, revisions, and selective publication practices may significantly influence final interpretations. The comprehensive character of the study is thus manifested not only in the breadth of thematic blocks but also in the rigorous handling of the evidential base. This makes it possible to formulate conclusions that are robust in both academic and policy contexts. Within the framework of a special issue, this standard is fundamentally necessary because the subject matter belongs to politically sensitive and information-contested domains. Consequently, methodological discipline in working with data becomes part of the rationale for the very need for a comprehensive analysis.

Finally, the need for a comprehensive analysis of the EU and partners' sanctions architecture is determined by the practical task of formulating substantive conclusions and recommendations for the period 2026–2030. If the document is confined to a retrospective review of measures already introduced, it will remain descriptive and will fail to perform its strategic function. Meanwhile, sanctions policy towards Russia continues to evolve, and its future effectiveness will depend on the ability of European institutions and partners to adapt pressure instruments to changing conditions: Russia's institutional adaptation, the reorientation of external trade, the development of circumvention routes, the transformation of financial channels, and shifts in the international conjuncture. In order to assess the prospects for continuing sanctions and to formulate proposals for strengthening them, it is necessary to understand which elements of the existing architecture have already demonstrated effectiveness, which require further calibration, and which generate disproportionate costs with limited results. This requires analysing sanctions not merely as a set of coercive acts, but as a system of governance over risks, transaction flows, and international coordination. In this sense, the present document must perform diagnostic, explanatory, and prognostic functions simultaneously. Comprehensiveness here is a condition of the prognostic utility of the analysis: without it, one cannot speak in a substantiated way about the probability of achieving the objectives of sanctions policy in the medium term. It is for this reason that 1.1.1 establishes comprehensive analysis of the sanctions' architecture as the guiding principle of the entire study and as a mandatory requirement for the subsequent sections devoted to the political, economic, social, legal, hybrid, and compliance dimensions of the sanctions' regime. This formulation of the task sets the framework for further work on the document and ensures its internal logical coherence.

1.1.2. The Relationship Between Sanctions Policy and the Analysis of the Social, Economic and Political Condition of the Russian Federation

The relationship between sanctions policy and the analysis of the social, economic and political condition of the Russian Federation is not external but internally structural in nature, since under contemporary conditions sanctions function not only as an instrument of international pressure but also as a factor in the restructuring of the basic contours of state functioning. In research practice, it is erroneous to consider sanctions as a standalone object isolated from the internal dynamics of the state subject to the sanctions' regime. In reality, sanctions become part of the environment within which the parameters of budgetary policy, foreign trade, financial intermediation, investment behaviour, corporate governance, the labour market, social policy, and politico-administrative mobilisation are altered. This means that an analysis of Russia's condition in the period 2022–2025 and in the perspective of 2026–

2030 cannot be methodologically complete without incorporating the sanctions factor into the explanatory model. At the same time, sanctions should be understood not as the sole cause of change, but as one of the system-forming drivers interacting with domestic institutions, military expenditure, political decisions, the resource structure of the economy, and the reorientation of external economic relations. Such framing makes it possible to avoid both the reduction of all problems to sanctions and the opposite error of treating sanctions as “external noise” with no influence on internal processes. For the present analytical document, it is essential to demonstrate that sanctions policy and the condition of the Russian Federation are in a relationship of continuous mutual influence: sanctions alter the internal environment, while Russia’s internal adaptation, in turn, affects the actual effectiveness of sanctions. Accordingly, the sections devoted to political, economic, social, and legal effects should be constructed not as parallel descriptions, but as interconnected levels of analysis of a single transformational dynamic. It is for this reason that, already at the level of setting the study’s objectives, it is necessary to establish the integral relationship between sanctions policy and the assessment of the condition of the Russian state and society.

In the economic dimension, the relationship between sanctions policy and the analysis of the condition of the Russian Federation is manifested primarily in the fact that sanctions affect not only individual indicators but also the very structure of economic reproduction. The most obvious level concerns direct restrictions on trade, finance, technology, transport, and services. However, for an analytical document it is insufficient merely to record formal prohibitions and restrictions. The key task is to identify how sanctions alter the configuration of economic flows: by redirecting exports and imports, increasing transaction costs, lengthening logistics chains, stimulating intermediary schemes, and affecting the cost of capital and the quality of technological renewal. In this sense, the analysis of Russia’s macroeconomic and sectoral indicators must be embedded in the sanctions context and accompanied by a distinction between direct, indirect, and delayed effects. For example, short-term stabilisation of certain macro-parameters cannot in itself be interpreted as a refutation of sanctions effectiveness if, at the same time, there is evidence of deterioration in the investment quality of growth, increased dependence on a limited circle of external partners, reduced access to critical technologies, or degradation of infrastructure maintenance. Similarly, individual negative indicators should not automatically be attributed to sanctions without an analysis of domestic policy, military expenditure, budgetary priorities, and institutional decisions. Thus, economic analysis within this study will be constructed as a causally linked assessment in which sanctions are treated as a factor altering the structure and quality of economic resilience, rather than merely as a source of short-term shocks. This is particularly important for assessing the prospects of sanctions in the period 2026–2030, since long-term effects are determined not by immediate declines in individual aggregates but by the accumulation of constraints on modernisation, productivity, and financial flexibility. Consequently, sanctions policy functions not as an appendix to economic analysis but as one of its central explanatory coordinates.

In the social dimension, the relationship with sanctions policy is more complex and mediated, which requires a particularly careful analytical lens. The social consequences of sanctions rarely appear as a mechanical result of one specific package; more often, they are formed through cascading effects passing through the labour market, inflation, the availability of goods and services, regional budgets, the healthcare system, education, migration processes, and the structure of household expenditure. For this reason, analysis of the social condition of Russia during the sanctions period cannot be limited to general indicators of income or unemployment, especially where such indicators are published under conditions of limited statistical transparency and require comparison with alternative sources. The present document proceeds from the position that sanctions policy affects the social sphere not only through the level of consumption, but also through changes in the quality of the living environment, access to technologies and services, labour mobility, professional trajectories, and the distribution of public resources between civilian and military priorities. Analytically, this means that social indicators must be linked to budgetary, industrial, and foreign-trade dynamics, rather than considered in isolation. In addition, an important element will be the distinction between effects caused directly by sanctions and effects arising from domestic politico-administrative decisions, including expenditure reallocation,

regulatory restrictions, and mobilisation practices. Such an approach is fundamental to a sound analysis, as it makes it possible to avoid politically convenient but methodologically weak interpretations. Within the special issue, the social block must demonstrate not only the presence or absence of deterioration in individual parameters, but also changes in the mechanisms of social resilience and the population's adaptation to a prolonged regime of economic and institutional restrictions. Accordingly, sanctions policy here serves as a crucial context for analysing social dynamics, but its influence is assessed strictly through evidential links and comparable data.

The political dimension of the relationship between sanctions policy and the condition of the Russian Federation is central to understanding the logic of sanctions pressure itself, since the final objectives of a significant share of sanctions are formulated precisely in terms of changing the political behaviour of the state. However, in analytical practice it is necessary to distinguish clearly between the immediate political objectives of sanctions and the actual domestic political effects, which may be asymmetric, time-lagged, or manifested in forms that do not coincide with the original expectations of the actors designing sanctions policy. Sanctions may intensify international isolation, narrow the space for foreign-policy manoeuvre, restrict elites' access to assets and jurisdictions, increase the cost of external operations, and complicate the diplomatic and financial infrastructure of the state. At the same time, within the country they may be accompanied both by increased administrative centralisation and mobilisation rhetoric, and by a redistribution of resources among elite groups, strengthened control over economic and information flows, and changes in the mechanisms of loyalty and political coordination. Accordingly, analysis of Russia's political condition under sanctions cannot be reduced to the question of whether sanctions have led to an immediate change in foreign policy course. A more productive framework is one in which changes in political resilience, the configuration of elite interests, administrative adaptation, legitimising practices, and the institutional capacity of the state to redistribute the costs of the sanctions' regime are examined. Such an approach makes it possible to assess the political effectiveness of sanctions in more realistic and verifiable categories than binary expectations of "rapid coercion". This is particularly important for the present document, as it is aimed at critical analysis rather than the reproduction of normative declarations. Therefore, the relationship between sanctions policy and the political condition of the Russian Federation will be considered as a relationship between external pressure and internal regimes of adaptation, rather than as a simple scheme of "stimulus—immediate political reaction".

Of particular importance for the present study is the fact that the social, economic and political condition of the Russian Federation during the sanctions period is shaped by several simultaneously operating factors, including sanctions, military expenditure, mobilisation mechanisms, institutional centralisation, changing external markets, and domestic regulatory policy. In this connection, the sanctions factor must be embedded in a broader multifactor model of analysis; otherwise, there is a risk of both overestimating and underestimating its actual influence. Methodologically, this means that in each substantive section of the document it will be necessary to distinguish between correlation and probable causal linkage, and to identify cases in which sanctions intensify pre-existing trends but are not their original cause. For example, deterioration in the quality of the competitive environment, the expansion of the state's role in resource allocation, or the strengthening of administrative control may be accelerated by the sanctions' regime while at the same time relying on previously established institutional trajectories. Conversely, certain shifts in foreign trade, logistics, or payment infrastructure may be directly linked precisely to sanctions restrictions and anti-circumvention measures. For a critical analytical document, it is essential not to conflate these levels of explanation. Accordingly, the relationship between sanctions policy and the analysis of Russia's condition will be described through a system of analytical filters: temporal sequence, sectoral specificity, comparison with alternative data, verification of the presence of internal non-sanctions drivers, and assessment of the durability of the effect over time. Such an approach enhances the scholarly integrity of the study and simultaneously makes it more useful for a policy audience, since it allows one to distinguish where sanctions recalibration may be effective and where other instruments of international pressure and political

strategy are required. Consequently, integrating sanctions analysis into the assessment of Russia's condition is both a substantive and a methodological necessity.

The relationship between sanctions policy and the analysis of the condition of the Russian Federation also has practical significance for the development of prognostic conclusions and recommendations in the present document. The aim of the study is not only to describe changes that have already occurred, but also to assess the prospects for continuing, modifying, and strengthening sanctions measures in 2026–2030. Such an assessment is impossible without understanding which elements of Russia's social, economic and political order have demonstrated the greatest sensitivity to sanctions, which have shown the greatest adaptability, and which have shown a capacity for compensatory recovery through domestic and external mechanisms. In practical terms, this means that analysis of the condition of the Russian Federation becomes simultaneously an instrument for diagnosing vulnerabilities and an instrument for testing hypotheses about the future effectiveness of sanctions policy. If the study records only the fact that measures were introduced, without analysing Russia's internal dynamics, recommendations will inevitably remain general and declaratory in nature. Conversely, if sanctions policy is considered in close connection with budgetary structure, technological dependence, social adaptation mechanisms, political-administrative centralisation, and external economic reorientation, conclusions will be able to rest on a real picture of constraints and opportunities. This is especially important in the context of preparing proposals for new sanctions, since the effectiveness of future measures depends on a precise understanding of which channels of pressure are already overloaded, which retain potential, and which require international coordination and strengthened enforcement. Thus, 1.1.2 establishes the transition from the general framing of the problem to the operational logic of the entire study: sanctions are analysed not in themselves, but through their relationship to the transformation of the Russian state, economy, and society. This framework ensures the substantive coherence of the subsequent sections and makes the document suitable both for academic discussion and for practical policy use.

1.2. Methodological Framework of the Study

1.2.1. Political Economy Analysis

Political economy analysis serves as the core methodological framework of the present study, making it possible to examine sanctions policy not as an isolated legal or diplomatic instrument, but as a mechanism affecting the system of interrelations between the state, the market, institutions of resource allocation, and political centres of decision-making. For a critical analysis of sanctions packages against the Russian Federation, this approach is fundamentally necessary, since under contemporary conditions sanctions operate simultaneously across several dimensions: normative, financial, productive, foreign-trade, social, and institutional. A purely legal description of sanctions acts does not make it possible to identify how restrictions are translated into actual changes in the political-economic structure of the target state. Conversely, a purely macroeconomic analysis detached from political mechanisms of decision-making and the redistribution of costs is unable to explain resilience, adaptation, or the selective compensation of sanctions pressure. It is precisely for this reason that political economy analysis is used in this document as an integrative approach linking the legal architecture of sanctions to the internal mechanisms of functioning of the Russian state and economy. It makes it possible to examine not only the immediate effects of sanctions, but also the ways in which state and quasi-state actors redistribute the resulting costs across sectors, regions, social groups, and channels of external economic interaction. For the purposes of the present document, this is particularly important, since the task is not to record isolated negative or stabilising indicators, but to explain structural dynamics under a prolonged sanctions regime. Consequently, political economy analysis

establishes the principal explanatory lens through which data on the political, economic, social, and legal dimensions of sanctions effectiveness will be interpreted.

Within this methodological framework, the state is treated not as a neutral regulator, but as a central actor possessing the capacity to redistribute resources, alter the rules of access to markets, set budgetary policy priorities, and institutionally shape the regime of adaptation to external pressure. This approach makes it possible to avoid the simplified representation of sanctions as an external shock automatically and linearly transmitted to the economy and society. In reality, the effect of sanctions depends to a significant extent on how political authority organises responses to restrictions: through fiscal support for particular sectors, regulatory exemptions, administrative coercion, changes in currency and trade controls, the reallocation of export flows, an increased role for state corporations, or the mobilisation of budgetary reserves. Accordingly, political economy analysis in the study proceeds from the premise that sanctions effectiveness should be assessed not only by the strength of external pressure, but also by the parameters of the internal institutional processing of that pressure. This is particularly important for the analysis of the Russian Federation, where the state retains a significant role in the financial sector, the resource-based economy, the defence-industrial complex, infrastructure projects, and mechanisms of administrative coordination. Under such conditions, sanctions rarely act directly upon “the market as such”; more often, they interact with a hierarchical system of politico-administrative governance capable both of mitigating immediate effects and of amplifying long-term structural costs. Moreover, it is precisely through a political economy approach that analysis of the distinction between short-term stabilisation and long-term resilience becomes possible, since the state may temporarily compensate for losses while simultaneously increasing future constraints on growth and modernisation. Consequently, the central place of the state in this methodological framework does not imply a rejection of market analysis; on the contrary, it allows a more precise explanation of why formally similar sanctions produce different outcomes in different institutional contexts. For the present document, this provides the basis for a more realistic assessment of both the current condition of the Russian Federation and the prospects of sanctions impact in the medium term.

An important element of political economy analysis is the treatment of sanctions as a mechanism that alters not only the volume of economic activity, but also the structure of incentives, constraints, and behavioural strategies of key actors. In research terms, this means shifting attention from the question “has a given indicator fallen?” to the question “which types of behaviour have become more costly, riskier, or, conversely, more advantageous under the sanctions regime?” Such a shift in analytical perspective makes it possible to understand more deeply the processes of adaptation, circumvention, intermediation, and institutional substitution, which often conceal or temporarily mask the immediate consequences of sanctions in aggregated statistical indicators. For example, the preservation of export revenues over certain periods does not negate the fact that supply routes change, discounts increase, insurance costs rise, settlement infrastructure becomes more complex, and dependence on a limited number of intermediaries and jurisdictions grows. Similarly, statistical stability of employment does not necessarily indicate preservation of the quality of employment, labour productivity, or the long-term investment capacity of enterprises. Political economy analysis makes it possible to incorporate precisely these hidden and semi-formal mechanisms of transformation into the study, and these mechanisms are of key importance for assessing the real, rather than declarative, resilience of the system. In the context of sanctions against the Russian Federation, this is particularly important, since a significant part of adaptation processes passes through hybrid channels—from parallel imports and trade reorientation to changes in corporate ownership schemes, logistics chains, and financial intermediation. Consequently, within the framework of this document, political economy analysis will be used to identify changes in the architecture of incentives and institutional strategies, rather than merely to describe the movement of macroeconomic aggregates. This increases the explanatory power of the study and allows a more accurate assessment of the prospects of further sanctions measures.

Methodologically, political economy analysis in the present document is based on a combination of institutional, structural, and comparative approaches. The institutional component is necessary for

analysing the legal and administrative mechanisms through which sanctions pressure is transformed into internal decisions by the state, businesses, and financial intermediaries. The structural component makes it possible to assess changes in the composition of revenues, expenditures, trade flows, technological dependencies, and mechanisms of reproduction, that is, to move from a description of events to an analysis of the configuration of the system. The comparative component is required both for intertemporal analysis (before sanctions escalation, during the period of package expansion, and in the adaptation phase) and for comparing Russian data with international sources, which is a mandatory condition of evidential integrity in the present study. This combination of approaches makes it possible to overcome the limitations of narrowly sectoral or narrowly disciplinary analysis, in which political decisions are considered separately from economic effects, and legal mechanisms separately from the practice of circumvention and enforcement. For the purposes of the present document, this methodological combination is especially important because the sanctions regime of the EU and its partners is cumulative in nature and is implemented through a sequence of legal, financial, and managerial measures, the effects of which may manifest at different speeds and across different sectors. Political economy analysis within such a framework provides the capacity to link normative changes in sanctions architecture with observable shifts in the behaviour of actors and in the parameters of functioning of the Russian system. It is important to emphasise that the aim is not to identify a single causal scheme, but to construct a substantiated model of probabilistic and multifactor linkages in which sanctions are treated as one of the keys, but not the only, drivers. This makes it possible to preserve analytical rigour and to avoid both over-explaining developments through sanctions and underestimating them. Consequently, political economy analysis here functions not merely as a thematic angle, but as a full methodological platform for the entire subsequent study.

Particular attention within the political economy approach must be given to the issue of the internal distribution of the costs of the sanctions' regime within the target state. Sanctions very rarely affect the state and society evenly; on the contrary, they create an asymmetric map of losses, gains, compensations, and redistributions. For the Russian Federation, this means the need to analyse how sanctions-related costs are distributed between the federal budget and regions, between export-oriented and domestic sectors, between large corporations and small/medium-sized businesses, and between different social groups and forms of employment. Political economy analysis makes it possible to examine not only the costs themselves, but also the mechanisms of their political processing: who receives priority access to support, which sectors are recognised as systemically important, which types of losses are concealed through administrative reporting, and which are shifted onto end consumers and households. Such an approach is especially important for a critical assessment of sanctions effectiveness, since formal macroeconomic stability may coexist with deepening internal imbalances, rising hidden costs, and declining quality of development. Moreover, it is precisely through the analysis of cost distribution that it becomes possible to connect the economic and political blocks of the study: the redistribution of losses and compensations is almost always linked to a redistribution of influence, access to resources, and institutional privileges. Under conditions of prolonged sanctions pressure, this forms new contours of loyalty, dependency, and administrative resilience that are not visible in aggregate indicators. For the present document, inclusion of this aspect in the methodological framework is mandatory, since without it, it is impossible to assess correctly either the social consequences of sanctions, or the political adaptation of the regime, or the long-term prospects of pressure. Consequently, political economy analysis must capture not only the scale of sanctions effects, but also their internal configuration of distribution.

Finally, political economy analysis in the present study performs not only a diagnostic function, but also a prognostic and applied one, which is particularly important given the task of preparing proposals for future sanctions policy in the period 2026–2030. Its value lies in enabling a transition from retrospective description of measures already adopted to an assessment of the probable effectiveness of future decisions depending on the structure of vulnerabilities, adaptation mechanisms, and institutional constraints of the Russian Federation. Within such an approach, sanctions are assessed not only by the fact of their adoption or their political symbolism, but also by their capacity to alter the behavioural

parameters of key political-economic actors, increase the cost of circumvention, reduce the resilience of critical channels of reproduction, and limit opportunities for long-term compensation. This is particularly important for developing realistic recommendations, since further intensification of sanctions pressure requires more precise selection of targets, instruments, and enforcement mechanisms, as well as consideration of possible side effects for international markets, partner states, and compliance regimes. Political economy analysis makes it possible to assess such decisions through the logic of proportionality, enforceability, and cumulative effect, which corresponds to the practices of European policy analysis and institutional planning. For the present document, this means that the methodology is not confined to explaining the past, but is used as an instrument for designing analytically grounded scenarios and proposals. As a result, 1.2.1 establishes the working framework within which the subsequent parts of the study will connect sanctions architecture, data on the condition of the Russian Federation, and the assessment of effectiveness into a single logical system. Such a formulation ensures the document's internal consistency, strengthens the evidential basis of its conclusions, and makes the text suitable for professional discussion in an environment oriented towards normative precision and practical applicability.

1.2.2. Institutional and Legal Analysis

Institutional and legal analysis is a necessary methodological component of the present study, since the sanctions policy of the European Union and its partners is implemented primarily through formalised legal acts, decision-making procedures, enforcement mechanisms, and a system of inter-institutional coordination. Without incorporating this approach, the sanctions regime would inevitably be perceived either as a set of political declarations or as an aggregate of economic restrictions, whereas its actual effectiveness is to a significant extent determined by the quality of its legal construction and institutional enforceability. For the purposes of the present document, this is especially important because the object of analysis is not only the content of sanctions, but also the logic of their production, accumulation, adjustment, expansion, and enforcement within a multi-level system of governance. An institutional-legal lens makes it possible to treat sanctions as a regime embedded in specific EU procedures: decision-making under the CFSP framework, subsequent normative implementation through regulations, updates to listings, interpretative clarifications, monitoring mechanisms, and national enforcement in Member States. This approach is essential to critical analysis, because it is precisely at this level that both the strengths of the sanctions architecture (legal certainty, cumulative character, and high formalisation) and its limitations (the speed of coordination, uneven enforcement, legal loopholes, and differences in interpretation) become visible. In addition, institutional and legal analysis provides the basis for a proper distinction between the political intention of a sanction and its legally operationalised form, which is a mandatory condition for assessing effectiveness. In the context of the present study, this makes it possible to avoid substituting analysis of sanctions mechanisms with analysis of the political rhetoric surrounding sanctions. Consequently, 1.2.2 establishes institutional and legal analysis as an autonomous and mandatory part of the overall methodological framework, without which subsequent conclusions on effectiveness would be incomplete.

In its institutional dimension, sanctions policy is treated in the present document as the result of interaction between multiple levels of governance and competences, rather than as the action of a single decision-making centre. Even within the European Union, the sanctions regime constitutes a coordination-based structure involving the European Council, the Council of the European Union, the European Commission, the European External Action Service, national authorities of the Member States, as well as enforcement and control frameworks at the level of financial, customs, export, and corporate regulation. Such multi-layeredness is not a secondary characteristic, but one that directly affects the speed, completeness, and quality of implementation of sanctions measures. On the one hand, institutional distribution makes it possible to ensure the political legitimacy and durability of sanctions policy through coordination procedures, legal formalisation, and the inclusion of Member States in the implementation process. On the other hand, it is precisely this feature that creates space for differences

in enforcement practice, uneven intensity of control, and unequal administrative capacity to detect and prevent sanctions circumvention. For an analytical document, this means that an assessment of sanctions effectiveness must take into account not only the norm as text, but also the norm as an institutionally implemented practice. Otherwise, there is a risk of overestimating the strength of formally stringent measures that, in practice, may encounter operational constraints, legal uncertainty, or insufficient coordination between authorities and jurisdictions. In this connection, institutional analysis in the present study will be used to identify bottlenecks in the sanctions' architecture: where delays arise between political decision and legal implementation, where mismatches are observed between design and enforcement mechanism, and where stronger coordination with partners is required. Consequently, the institutional component not only describes the governance structure of sanctions, but also performs a diagnostic function in assessing their practical effectiveness.

Legal analysis in the present study proceeds from an understanding of the sanctions regime as a cumulative normative system in which new packages of measures do not exist separately, but are embedded in already operative basic acts and modify them through a sequence of amendments, clarifications, exceptions, and additions. This is of fundamental importance for sound analytics, because the legal reality of sanctions policy is formed not only by the moment at which a new package is adopted, but also by the aggregate configuration of the currently applicable version of the basic regulations and decisions. In practical terms, this means that the study must consider both the "package" logic of political communication and the "cumulative" logic of normative regulation. It is for this reason that the present document will use a unified register of official EU acts (basic regulations, CFSP decisions, amending regulations, implementing regulations, and related acts), making it possible to analyse sanctions in their legal sequence and institutional interrelationship. Such an approach is especially important for identifying the legal mechanisms through which the sanctions regime is strengthened: expansion of material scope, further specification of prohibitions, introduction of exceptions and derogations, refinement of definitional blocks, incorporation of anti-circumvention provisions, and strengthening of requirements imposed on market participants. At the same time, legal analysis also makes it possible to identify structural weaknesses of the regime, including excessive complexity of certain norms, potentially ambiguous formulations, burdens on compliance practice, and the risk of fragmented interpretation across jurisdictions. For a critical analytical document, it is essential not to stop at noting that a new measure has been "introduced", but to assess whether it is legally clear, enforceable, verifiable, and properly integrated into the existing regulatory corpus. Consequently, legal analysis in this study will be directed not only at describing norms, but also at assessing the quality of sanctions rule-making as a factor of effectiveness.

An important element of the institutional-legal approach is the analysis of the relationship between the normative stringency of a sanction and its practical enforceability. In sanctions policy, situations frequently arise in which a legally broad and politically ambitious norm formally expands the volume of restrictions, but its practical effect is reduced because of difficulties in identifying controlled entities, opacity of ownership chains, the cross-border nature of transactions, data deficits, or uneven enforcement practice. For the present study, this means that it is necessary systematically to distinguish three levels: politico-normative intention, legal construction of the measure, and the factual level of enforcement. Such differentiation is particularly important when analysing measures related to export controls, financial intermediaries, logistics, services, shadow transportation schemes, and the use of intermediary jurisdictions. Institutional and legal analysis makes it possible, on the one hand, to assess the extent to which the legal form of a sanction corresponds to its stated objective and, on the other hand, to identify which institutional conditions are required in order to achieve results: data exchange, coordination between authorities, common standards of interpretation, adequate resourcing of controls, and international cooperation with partners. Thus, the methodology of the present document proceeds from the premise that sanctions effectiveness is determined not only by the severity of the prohibition, but also by the architecture of its supporting framework. This is a critically important position for analytical work, because it makes it possible to avoid the mistaken conclusion that a "sanction does not work" where the problem in fact lies in an enforcement defect rather than in the illegitimacy of the

objective or the general logic of the measure. At the same time, such an approach makes it possible to identify cases in which the legal construction itself creates excessive uncertainty from the outset and thereby reduces the likelihood of effective application. Consequently, institutional and legal analysis in the present study will be used as an instrument for distinguishing the design quality of a sanction from the quality of its implementation.

Particular attention should be given to the analysis of legal exceptions, derogations, transitional periods, and other mechanisms of normative flexibility, which are not in themselves a sign of weakness of the sanctions' regime, but rather a functional characteristic of it in the context of a complex international economy. In public discourse, the existence of exceptions is often interpreted as a "loophole" or as evidence of inconsistency in sanctions policy; however, professional analysis requires a more precise approach. Exceptions and transitional regimes may perform different functions: preventing disproportionate harm to Member States and partners, ensuring legal certainty for bona fide market participants, allowing the technical completion of previously initiated operations, reducing the risk of systemic disruptions in critical infrastructure, or creating a manageable adaptation horizon for new requirements. At the same time, it is precisely through such mechanisms that zones of heightened circumvention risk may emerge, especially where the normative wording of exceptions is insufficiently specific, control is weak, and intermediary chains are opaque. For this reason, within the present study legal exceptions will be analysed not in a binary logic of "strictness/leniency", but through the criteria of functional justification, legal clarity, temporal limitation, controllability, and risk of abuse. Such an approach is consistent with the institutional logic of European policy analysis, in which the quality of a measure is assessed also by its enforceability and proportionality. For the present document, this is of particular importance because a critical analysis must record not only the facts of introducing restrictions, but also the normative parameters that strengthen or weaken their practical effect. Consequently, the analysis of derogations and exceptions becomes not a secondary legal commentary, but an important part of the assessment of the real architecture of the sanctions' regime.

Institutional and legal analysis in the present study also includes mandatory consideration of compliance frameworks as an intermediate link between official rule-making and actual economic behaviour. Sanctions begin to affect financial flows, trade operations, corporate decisions, and logistics chains in real terms not at the moment of publication of an act, but at the moment when the relevant actors—banks, exporters, carriers, insurers, brokers, payment intermediaries, auditors, and other market participants—integrate the new requirements into their procedures for checks, risk assessment, and decision-making. This means that, in order to assess the effectiveness of sanctions policy, it is necessary to analyse not only the "upper" level of law, but also the "middle" level of institutional translation of the norm into compliance and risk-management practice. In the present document, compliance is treated not as a technical appendix to law, but as one of the key channels of sanctions impact through which the day-to-day enforceability of the regime is formed. It is precisely here that such parameters as terminological certainty, availability of clarifications, quality of guidance, coherence of requirements across jurisdictions, and predictability of enforcement lines become visible. At the same time, compliance frameworks are both a zone for strengthening sanctions effectiveness and a zone of potential fragmentation, where market participants encounter ambiguous norms, high verification costs, or divergent signals from regulatory authorities. For a critical analytical document, inclusion of this aspect in the methodological framework is mandatory, because many visible economic effects of sanctions arise not only from direct prohibitions, but also from the preventive behaviour of market participants (de-risking, over-compliance, withdrawal from operations in grey areas of risk). Consequently, institutional and legal analysis in the present study will be systematically linked to the subsequent section on compliance instruments and will ensure methodological continuity between the legal and economic parts of the study.

Finally, institutional and legal analysis in the present study performs not only a descriptive and diagnostic function, but also a design-oriented evaluative function necessary for formulating recommendations on the further development of sanctions policy in 2026–2030. In order to prepare

substantive proposals, it is not sufficient merely to record the list of measures already in force; it is necessary to assess which elements of the sanctions' architecture demonstrate high legal durability and institutional reproducibility, which require recalibration, and which generate disproportionate enforcement costs for limited political-economic effect. Such analysis is especially important for the development of new measures aimed at reducing opportunities for sanctions circumvention, strengthening coordination with partners, and improving the quality of enforcement without undermining the legitimacy of the regime and legal certainty for bona fide actors. In this connection, 1.2.2 establishes a framework in which sanctions policy is treated as an evolving institutional-legal system requiring regular calibration on the basis of implementation experience, vulnerability analysis, and assessment of cumulative effect. Such an approach corresponds to the practice of European institutional planning, where the durability of a measure is determined not only by political support, but also by the quality of legal construction, operational enforceability, and the capacity to adapt to new circumvention schemes. For the present document, this means that institutional and legal analysis will become one of the central instruments for moving from retrospective review to practically applicable conclusions and proposals. As a result, this paragraph provides the methodological foundation for all subsequent sections in which sanctions effectiveness will be assessed across different dimensions, and it strengthens the overall professional robustness of the analytical report.

1.2.3. Comparative-Historical Approach

The comparative-historical approach is used in the present study as a necessary methodological instrument for the sound interpretation of sanctions policy against the Russian Federation within the broader context of international restrictive-measures practice in the twentieth and twenty-first centuries. For an analytical document aimed at a professional assessment of sanctions effectiveness, it is essential to avoid both presenting the current sanctions regime against Russia as an entirely unprecedented phenomenon and mechanically transferring conclusions from other historical cases without regard to differences in institutional, economic, and geopolitical environments. The comparative-historical approach makes it possible to adopt an intermediate and methodologically more rigorous position: to treat sanctions against the Russian Federation as a specific case within a wider series of sanctions regimes, one that displays both general regularities and substantial distinguishing features. This is particularly important for the present document, because it enables an assessment not only of the set of specific measures, but also of the logic of sanctions design, the evolution of pressure instruments, the dynamics of international coordination, and the character of adaptation strategies of the target state. In practical terms, this means that comparison is used not to construct historical analogies as rhetorical devices, but to refine analytical categories: effectiveness, enforceability, cumulative effect, circumvention, institutional durability, political sensitivity, and temporal lag of impact. In this way, the comparative-historical approach strengthens the evidential component of the study and reduces the risk of simplified conclusions based exclusively on current political conjuncture. This is of particular importance for the present document, since its task is critical analysis rather than the reproduction of normative or journalistic interpretations of sanctions policy. Consequently, 1.2.3 establishes the comparative-historical approach as an autonomous methodological support, enabling greater depth, precision, and explanatory robustness in the subsequent analysis.

Within this approach, sanctions against the Russian Federation are considered in comparison not with a single "benchmark" case, but with several types of historical and contemporary sanctions regimes differing in objectives, scale, international coalition, legal basis, and mechanisms of impact. Methodologically, this is important because different sanctions cases make it possible to identify different aspects of the current regime: some illuminate the specificities of sectoral restrictions and export controls, others the characteristics of personal sanctions and listing mechanisms, and still others the limits of sanctions effectiveness in relation to large states with a resource base, a substantial internal market, and a developed capacity for institutional adaptation. Such an approach makes it possible to move beyond false universalisation, in which sanctions policy is assessed according to a

single model of success or failure. For the purposes of the present document, comparison will be used primarily as an analytical means of identifying parameters of comparability: the nature of the political objective (deterrence, coercion, signalling, degradation of capacity), the type of economic structure of the target state, the degree of integration into world markets, the breadth of international support for the sanctions' regime, the quality of enforcement, and the duration of sanctions pressure. Comparison along these parameters makes it possible to interpret more accurately the dynamics of sanctions against the Russian Federation and to avoid superficial assertions that sanctions "should have" produced rapid results by analogy with other situations. In analytical terms, this is especially important for assessing medium-term effectiveness, since sanctions effects have manifested at different speeds and through different mechanisms across historical cases. In addition, the comparative-historical approach makes it possible to include in the analysis not only cases of relative sanctions success, but also cases of limited effectiveness, incomplete implementation, or adaptive neutralisation, which is essential for a critical document. Consequently, comparison in the present study will be structured not around the search for a convenient analogy, but around the identification of relevant conditions and constraints of sanctions policy.

A significant advantage of the comparative-historical approach lies in its capacity to distinguish short-term, medium-term, and long-term effects of sanctions, which has direct relevance for the analysis of the sanctions' architecture of the EU and its partners in relation to Russia. In public and politicised discussions, sanctions are often assessed by the criterion of immediate result, whereas historical experience shows that many of the most significant effects emerge gradually—through changes in investment trajectories, technological degradation, reduced resilience of complex production and logistics systems, transformation of external linkages, and redistribution of internal resources. A comparative-historical perspective makes it possible to demonstrate that the absence of an immediate political break is not equivalent to the absence of sanctions impact as such. At the same time, this approach also helps to avoid the opposite error—the uncritical attribution to sanctions of all long-term negative developments without accounting for other factors, including domestic policy, military decisions, structural features of the economy, and the international conjuncture. This is particularly important for the present document, since one of its central tasks is to assess the prospects for maintaining and strengthening sanctions measures in 2026–2030. Such an assessment requires an understanding of how, in the history of sanctions regimes, the temporal horizon, the type of measures, and the character of observed consequences have related to one another. In methodological terms, the comparative-historical approach makes it possible to construct a more realistic model of expectations from sanctions policy: which effects may be achieved in a short cycle, which require cumulative impact, and which should not in principle be treated as realistic objectives for a given type of measure. Consequently, historical comparison in the present study performs not an illustrative but a calibrating function in relation to the assessment of effectiveness.

Particular attention should be paid to the use of the comparative-historical approach for analysing the evolution of sanctions instruments themselves and of the institutions through which they are applied. Sanctions policy over recent decades has undergone substantial transformation: from relatively limited trade-embargo regimes and diplomatic restrictions to complex systems of sectoral measures, financial prohibitions, export controls, listing mechanisms, service restrictions, anti-circumvention provisions, and compliance-oriented regulation. This means that, when analysing the current sanctions packages against the Russian Federation, it is necessary to consider not only their immediate content, but also the fact that they represent a product of the accumulated institutional experience of Western jurisdictions in the field of sanctions rule-making and enforcement. The comparative-historical approach makes it possible to trace how understandings of a "working" sanction have changed, which elements were strengthened as international financial and trading systems became more complex, and why contemporary sanctions regimes depend to a greater degree on the quality of coordination, data, compliance practices, and control over intermediary chains. This is particularly important for the present document in connection with the task of critically analysing the strengths and weaknesses of the 19 EU sanctions packages: assessment of their effectiveness must take into account that part of the

measures represent not merely a reaction to current events, but a stage in the institutional learning and adaptation of the sanctions' regime itself. In analytical terms, this makes it possible to distinguish between measures that expand the formal volume of restrictions and measures that improve the quality of enforceability of the existing architecture. In this way, the comparative-historical approach helps to avoid a superficial quantitative assessment of sanctions by the number of packages or the number of prohibitions and shifts the analysis to the plane of institutional maturity and functional effectiveness. Consequently, this approach is necessary for assessing sanctions policy as an evolving system rather than as a static set of acts.

The comparative-historical approach is also of key importance for the sound assessment of strategies of adaptation and sanctions circumvention, since it is precisely comparison with other cases that makes it possible to distinguish unique and typical mechanisms of response by the target state and associated actors. Certain patterns recur in the history of sanctions regimes: reorientation of trade flows, development of intermediary jurisdictions, restructuring of corporate forms, use of indirect financial channels, increased state involvement in compensating losses, and political mobilisation of the domestic agenda around external pressure. At the same time, the concrete configuration of these mechanisms depends on the scale of the economy, the resource base, technological dependence, the institutional capacity of the state, and the degree of support for the sanctions' regime among key trade and financial centres. For the present study, this means that Russia's adaptation should be analysed not as proof of the "exceptionality" or "invulnerability" of the sanctioned state, but as a political-economic process comparable in type, yet specific in scale and conditions of implementation. Such an approach allows a more sober assessment of the limits and possibilities of sanctions pressure: which circumvention practices are expected and require an institutional response, which indicate design defects in sanctions, and which reflect the objective limits of any sanctions policy in a globalised economy. In addition, the comparative-historical perspective makes it possible to distinguish adaptation as short-term stabilisation from adaptation as sustainable long-term substitution, which is essential for conclusions concerning the 2026–2030 horizon. For a critical analytical document, this is particularly important, since it makes it possible to avoid both alarmist and complacent interpretations of observed adaptation. Consequently, the comparative-historical approach functions here as an instrument for normalising and differentiating the assessment of adaptation processes under sanctions pressure.

Finally, the comparative-historical approach in the present study performs a prognostic and evaluative function necessary for preparing substantiated conclusions and recommendations regarding the further development of EU and partners' sanctions policy. Comparison with previous and parallel sanctions regimes makes it possible not only to interpret current dynamics more effectively, but also to refine the range of realistic expectations for future measures, including the timeframes within which effects may emerge, probable channels of circumvention, risks of enforcement fragmentation, and typical institutional weaknesses. This has direct practical significance for the present document, since proposals for strengthening pressure on the Russian Federation must be based not only on political expediency, but also on due regard for historically observed regularities of sanctions design and implementation. At the same time, the comparative-historical approach is not used in the logic of mechanically copying others' solutions; on the contrary, its task is to identify the conditions of applicability and the limits of analogy. Such an approach corresponds to the practice of mature policy analysis, in which historical experience is treated as a resource for calibrating decisions rather than as a ready-made template. Within the methodological structure of the present study, this means that 1.2.3 links the analysis of current sanctions against the Russian Federation to the broader field of international experience and thereby strengthens the quality of both the diagnostic and the design-oriented parts of the document. As a result, the comparative-historical approach provides additional interpretative depth, increases the resilience of conclusions to political conjuncture, and contributes to the formulation of more realistic recommendations for the period 2026–2030.

1.2.4. Public Policy Effectiveness Analysis

Public policy effectiveness analysis is used in the present study as a necessary methodological instrument for assessing sanctions policy not only by the fact of the adoption of restrictive measures, but also by the degree of attainment of stated objectives, the quality of implementation, the durability of results, and the relationship between targeted impact and the side effects that arise. For a critical analytical document, this is of fundamental importance, because sanctions, as an instrument of foreign-policy and legal pressure, simultaneously constitute a form of public policy: they are designed, institutionally formalised, implemented through a system of bodies and procedures, and require monitoring, recalibration, and evaluation of effectiveness. If the analysis is limited to describing the content of sanctions packages or recording selected economic and political consequences, the study will be unable to answer the key question—to what extent the sanctions architecture of the EU and its partners functions as a governable and adaptable policy system. It is precisely for this reason that, in the present document, sanctions policy is treated not only as an aggregate of prohibitions, but also as a policy with objectives, instruments, indicators, implementation constraints, review cycles, and mechanisms of institutional learning. This approach is particularly important in the context of 19 implemented sanctions packages, since the cumulative character of the regime requires an assessment not only of individual measures, but also of the quality of the entire trajectory of policy design and policy adjustment. In analytical terms, this makes it possible to move from the question “were sanctions introduced?” to more substantive questions: how targeted the measures were, how enforceable they were, how coherent they were, how timely their recalibration was, and how responsive they were to identified channels of circumvention. Consequently, public policy effectiveness analysis in the present study serves as a framework for the systemic assessment of the sanctions regime in categories of effectiveness, enforceability, adaptability, and strategic robustness. This makes this approach a mandatory component of the methodological architecture of the document as a whole.

Within public policy effectiveness analysis, sanctions effectiveness is treated as a multidimensional category that cannot be reduced to a single indicator or to the binary formula “worked / did not work”. Methodologically, this means that it is necessary to distinguish at least several levels of assessment: goal attainment, instrument performance, institutional performance (implementation and enforcement capacity), behavioural performance (changes in actor behaviour), and systemic performance (cumulative and strategic effects). Such an approach makes it possible to account properly for situations in which sanctions may demonstrate limited immediate political effect while nonetheless being significant in terms of long-term constraints on the target state’s resource, technological, and financial base. At the same time, it makes it possible to identify cases where a formally stringent measure proves less effective because of low enforceability, fragmented enforcement, or the existence of durable circumvention mechanisms. This is particularly important for the present document, since the object of analysis includes political, economic, social, legal, and hybrid aspects of sanctions policy, each of which requires its effectiveness criteria while preserving an overall analytical logic. In this connection, the methodology of the study will proceed from the principle of “differentiated effectiveness”: the same sanctions measure may have different effectiveness across different objectives and across different time horizons. Such an approach reduces the risk of politicised and methodologically weak judgements based on inflated expectations of immediate effect or, conversely, on disregard for cumulative impact. In addition, a multidimensional assessment model makes it possible to connect legal and institutional analysis to empirical data without substituting rhetorical interpretation for effectiveness evaluation. Consequently, in the present study public policy effectiveness analysis will be used as an instrument of rigorous operationalisation of the question of sanctions effectiveness.

An important element of this approach is the distinction between design effectiveness and implementation effectiveness, that is, between the quality of the design of a sanctions measure and the quality of its practical implementation. For sanctions policy, this distinction is of fundamental importance, because failure to achieve the expected effect may be linked either to design defects

(incorrect target selection, weak targeting precision, insufficient legal certainty, underestimation of circumvention channels) or to implementation defects (uneven control, limited enforcement resources, delays in coordination, divergent interpretation of norms). If these levels are not analytically distinguished, there is a risk of erroneous conclusions regarding the “ineffectiveness of sanctions as a whole” where the problem is, in fact, more specific and potentially remediable. In the present document, this distinction will be applied systematically in the analysis of individual sanctions blocks and packages, making it possible to assess more precisely which elements of the architecture require political-legal recalibration and which require institutional strengthening of control and compliance practices. Such an approach corresponds to policy evaluation standards in which effectiveness is treated not only as an outcome, but also as a function of policy design quality, governance arrangements, and the implementation chain. For the purposes of the present study, this is especially important because the sanctions architecture of the EU and its partners is cumulative and iterative in nature: subsequent packages often perform not only the function of expanding pressure, but also that of correcting identified defects in earlier measures. Consequently, the methodology of effectiveness analysis must be capable of capturing not only the “output result”, but also the quality of the process of adaptive governance of the sanctions regime. This increases the precision of critical analysis and makes the conclusions more useful for practical policy planning. In this way, public policy effectiveness analysis establishes a framework in which sanctions are assessed as an evolving system of governance decisions rather than as a static set of prohibitions.

A separate matter of significance within public policy effectiveness analysis is the assessment of proportionality, targeting precision, and the management of side effects. Sanctions policy as an instrument of pressure is almost always associated with the risk of indirect consequences for third countries, international markets, bona fide economic actors, and even the sanctioning states themselves. For this reason, professional analysis cannot be limited to assessing the intensity of pressure on the target state alone; it must also consider the extent to which measures are designed in such a way that the intended effect is not accompanied by disproportionate costs that undermine the political durability of the sanctions’ regime or its international support. This is especially important for the present document in the EU context, where the legitimacy and durability of sanctions policy depend not only on foreign-policy will, but also on the capacity of institutions and Member States to manage the distribution of costs, ensure legal certainty, and provide adaptation mechanisms for sensitive sectors. Public policy effectiveness analysis makes it possible to incorporate these parameters into the overall assessment of sanctions without reducing them to an argument “for” or “against” the strictness of measures. In analytical terms, this means that high formal stringency of a sanction will not automatically be interpreted as high policy effectiveness if it is accompanied by low enforceability, significant collateral distortions, or reduced coalition durability. At the same time, a measure moderate in its formulation may be assessed as highly effective if it has high targeting precision, good verifiability, and is embedded in an effective control system. Consequently, the analysis of proportionality and side effects in the present study will not be a secondary commentary, but a mandatory part of the methodology for evaluating sanctions policy as public policy.

A key component of this approach is the analysis of policy feedback and institutional learning, that is, how the sanctions regime changes under the influence of its implementation results, identified vulnerabilities, and the behaviour of sanctions addressees. This is of particular importance for sanctions policy against the Russian Federation, since the sequence of packages demonstrates not only the expansion of restrictions, but also the continuous recalibration of mechanisms: refinement of norms, closure of loopholes, development of anti-circumvention measures, strengthening of coordination and enforcement, expansion of guidance, and increased attention to intermediary jurisdictions and sectors of risk. From a methodological standpoint, this means that effectiveness assessment cannot be static: it must take into account the capacity of the sanctions’ architecture for self-correction and adaptation. Within the present document, this aspect will be analysed as an indicator of the institutional maturity of sanctions policy of the EU and its partners. If the system is capable of rapidly drawing lessons from implementation practice and recalibrating design and implementation, this increases its medium-term

effectiveness even under conditions of incomplete attainment of initial objectives in the early stages. Conversely, the absence of policy feedback mechanisms, slow response to circumvention practices, or insufficient inter-institutional coordination reduces cumulative effectiveness even where a broad formal set of measures exists. Such an approach is especially important for formulating recommendations for 2026–2030, because it makes it possible to assess not only “what has already been done”, but also the quality of the sanctions regime’s very capacity for further adaptation. Consequently, policy feedback analysis in the present study serves as a key bridge between retrospective assessment and the design-prognostic part of the document. This strengthens the practical value of the study and makes its methodology more consistent with the standards of contemporary public policy evaluation.

Public policy effectiveness analysis in the present study also presupposes the use of operational criteria and indicator frameworks that make it possible to compare different types of sanctions without artificially reducing them to a single metric scale. Since political, economic, social, legal, and hybrid measures differ in nature and in mechanism of action, their evaluation requires a set of coordinated but non-identical indicators and assessment criteria. In practical terms, this means that for each sanctions block the following will be defined: the stated objective of the measure, the expected mechanism of impact, the time horizon of effect manifestation, key observable indicators, typical channels of circumvention, enforcement conditions, and parameters by which the actual dynamics of effectiveness may be assessed. Such an approach makes it possible to preserve analytical comparability across sections of the document without eroding the substantive specificity of each type of sanction. This is particularly important for the study, since the final conclusions must be suitable both for the substantive analysis of individual categories of measures and for the integrated assessment of the sanctions’ architecture as a whole. At the same time, the indicator framework will be integrated into the previously established principle of data triangulation and comparative verification of Russian sources against European, American, and international databases, thereby improving the quality of the evidential base and reducing the risk of interpretative error. In methodological terms, this means that public policy effectiveness analysis will rely not on isolated illustrative indicators, but on a system of verifiable and comparable signs. Consequently, this approach ensures a transition from general evaluative judgements to a structured and reproducible procedure of analytical assessment of the sanctions’ regime. This is fundamentally important for a professional document intended for expert and institutional use.

Finally, public policy effectiveness analysis in the present study performs an integrative and design-oriented function: it combines the results of political economy, institutional-legal, and comparative-historical approaches into a single assessment framework suitable for the preparation of practical conclusions and recommendations. For a special analytical issue, high descriptive accuracy alone is insufficient; it is necessary to ensure a structure of analysis that will allow decisions on the continuation, recalibration, or strengthening of sanctions measures to be justified on the basis of a systemic assessment of their effectiveness, constraints, and risks. It is for this reason that, in the present document, public policy effectiveness analysis will be used as the central mechanism of synthesis: it will make it possible to relate sanctions objectives to observed outcomes, legal construction to implementation quality, short-term effects to long-term dynamics, and political expediency to institutional enforceability and coalition durability. Such an approach corresponds to the logic of European policy analysis, in which mature evaluation of a measure presupposes not only the recording of effect, but also analysis of the conditions of its attainment, the cost of implementation, and the possibilities of adaptive recalibration. For the present document, this means that 1.2.4 establishes the methodological transition from description of research approaches to the subsequent practice of their application in the thematic sections of sanctions analysis. As a result, this paragraph strengthens the internal coherence of the methodological framework as a whole, improves the manageability of the analytical process, and creates a basis for preparing evidence-based and practically applicable recommendations for the period 2026–2030.

1.3. Sanctions as an Instrument of Foreign-Policy Coercion

1.3.1. The Concept of Sanctions in International Practice

The concept of sanctions in international practice is among the foundational yet methodologically ambiguous categories, since different legal, diplomatic, and analytical traditions understand sanctions as forms of restrictive action that do not fully coincide. In the broadest sense, sanctions are measures of a coercive, restrictive, or deterrent nature applied by states, international organisations, or coalitions of states against another state, legal and natural persons, and associated entities, with the aim of changing behaviour, limiting capabilities, increasing the cost of certain actions, or signalling an international legal and political position. In contemporary practice, sanctions function not only as an instrument of response to violations of international law or threats to international security, but also as a mechanism of strategic pressure directed at altering the foreign-policy, military-political, financial, technological, and institutional parameters of the target state's conduct. At the same time, professional analysis requires a distinction between sanctions as a politico-diplomatic category and sanctions as a legally formalised regime of restrictive measures, because it is the legal form that determines enforceability, verifiability, and the limits of application of the relevant measures. In European practice, it is particularly important to distinguish between the broad political use of the term "sanctions" and the more precise concept of "restrictive measures", which reflects the normative nature of the instrument and its embeddedness in public authority procedures. This distinction is not merely terminological, because it affects the quality of analysis: it makes it possible to separate symbolic political signals from legally operationalised prohibitions and obligations. For the purposes of the present document, this is of fundamental importance, since what is analysed is precisely sanctions architecture as a combination of legal, institutional, and policy instruments, rather than only the political rhetoric surrounding them. Consequently, the working definition of sanctions in international practice must be sufficiently broad to capture the diversity of forms of pressure, and at the same time sufficiently precise to preserve analytical distinctions between political declaration, legal norm, and enforcement mechanism. It is within this framework that sanctions are further treated as an instrument of foreign-policy coercion rather than as an abstract category of international relations.

In international practice, sanctions are generally situated in an intermediate zone between diplomatic influence and the use of military force, and this defines their specific place in the repertoire of foreign-policy instruments. On the one hand, sanctions differ from diplomatic démarches, condemnations, and political statements in that they involve the introduction of concrete restrictions that create measurable costs for the addressee or associated actors. On the other hand, they differ in principle from military coercion because they are based on legal, financial, trade, technological, transport, and institutional mechanisms of pressure rather than the direct physical use of force. It is precisely this intermediate character that has made sanctions a particularly sought-after instrument in international practice over recent decades, when states and international groupings have sought to intensify pressure without crossing the threshold of direct military confrontation. In analytical terms, this means that sanctions cannot properly be described either as "soft" diplomacy or as the equivalent of military action; they constitute an autonomous class of coercive measures with their logic of design, implementation, and effectiveness assessment. For the purposes of the present document, this understanding is important because it helps to avoid two common errors: underestimating sanctions as a purely symbolic instrument and overestimating sanctions as a mechanism capable of automatically delivering rapid political results. International practice shows that sanctions operate through changing the environment of decision-making, redistributing costs, restricting channels of access to resources, and increasing risks for state and private actors. Such impact may be substantial, but it is generally mediated institutionally and stretched over time. Consequently, the concept of sanctions in international practice must include an understanding of them as a form of non-military foreign-policy coercion aimed at

altering the parameters of the addressee's behaviour and capabilities through a managed system of restrictions.

An important characteristic of sanctions in international practice is their multi-level and multi-component nature. In contemporary understanding, sanctions rarely amount to a single type of restriction; rather, they usually constitute combined regimes including political, personal, financial, trade, technological, transport, visa, service, institutional, and other measures. This composite nature of sanctions is linked to the fact that the objectives of foreign-policy coercion are themselves multilayered: from political signalling and the international delegitimation of certain actions to the effective restriction of the target state's resource, technological, and organisational capacity to continue the relevant policy. For analytical purposes, this means that the concept of sanctions cannot be reduced to classical trade embargoes or solely to personal listings; a broader construction is required, taking account of the architectural character of modern restrictive-measures regimes. This is especially important in relation to EU and partners' sanctions packages, where the sequence of measures forms a cumulative system of impact in which new instruments do not replace earlier ones, but strengthen, refine, or complement them. International practice in recent years demonstrates that sanctions effectiveness increasingly depends not on the stringency of any single measure, but on the quality of the combination of measures, their coherence, legal certainty, and capacity to close channels of circumvention. For this reason, within the present document the concept of sanctions will be used in a systemic sense—as a set of interrelated restrictive instruments united by a common political objective and implemented through an institutionally formalised regime. Such an approach makes it possible to analyse sanctions consistently by category (political, economic, social, legal, hybrid, and compliance-oriented) without losing the overall logic of foreign-policy coercion. Consequently, international practice requires sanctions to be understood not as isolated acts of pressure, but as multi-level policy regimes with different mechanisms of impact and different temporal dynamics.

No less important for defining sanctions in international practice is the question of the subjects of sanctions rule-making and application. In the contemporary system of international relations, sanctions may be introduced at different levels: universal (for example, within international organisations), regional (e.g., within integration groupings), coalition-based (by a group of states coordinating their measures), and national (through domestic legal acts with extraterritorially significant consequences). For professional analysis, this is of fundamental importance, because the legal nature, degree of binding force, enforcement mechanism, and international legitimacy of sanctions depend significantly on who introduces them and in what normative format they are framed. In one case, sanctions may have a high degree of international legal universality but a more complex coordination process and a more limited speed of adaptation to new circumvention schemes. In another, by contrast, they may be introduced more rapidly and be more technologically detailed, but require stronger international coordination in order to achieve a comparable effect. This is especially important for the purposes of the present document, since the sanctions regime against the Russian Federation is formed in a space of intersection between European, national, and coalition-coordinated measures, which affects both its strength and its internal heterogeneity. Consequently, the concept of sanctions in international practice must include not only the content of restrictions, but also the institutional nature of the sanctions-policy actor, because this largely determines the possibilities of enforcement, monitoring, recalibration, and international synchronisation. Such an approach makes it possible to assess sanctions more precisely as an instrument of coercion embedded in real systems of public authority and inter-state interaction, rather than as an abstract “will of the international community”. In practical terms, this also establishes the basis for further analysis of the differences between political coordination of sanctions and legal comparability of specific regimes.

A separate methodological clarification is required regarding the relationship between the concepts of “sanctions”, “countermeasures”, “restrictive measures”, “embargo”, “export control”, and “economic coercive measures”, which are often conflated in public discourse but differ in scope and function in analytical and legal terms. In international practice, terminology often depends on institutional tradition

and politico-legal context: the same set of measures may be described as sanctions in political rhetoric, as restrictive measures in regulatory practice, as export controls in the trade-technological sphere, or as financial restrictions in the banking and compliance environment. For the present document, it is essential not to erase these distinctions artificially, but to use them as an analytical advantage. This makes it possible to describe more precisely the mechanism of action of a measure, the legal basis for its introduction, and the expected channel of impact on the addressee. For example, export control may form part of a sanctions' regime, but does not exhaust it; an embargo is one form of restrictive measure, but does not encompass personal sanctions, financial prohibitions, or service restrictions; visa measures may have a strong political-signalling effect, but a different profile of economic effectiveness compared with sectoral financial restrictions. Consequently, within the present document the concept of sanctions in international practice will be used as an umbrella category within which narrower concepts are distinguished by legal form, institutional channel of implementation, and type of targeted impact. Such an approach is consistent with the requirements of professional policy analysis and legal analysis, in which terminological precision is a condition of sound effectiveness assessment. In what follows, this distinction will help to avoid methodological errors when classifying sanctions into political, economic, social, legal, and hybrid categories, as well as when analysing compliance instruments and anti-circumvention measures. In this way, a working definition of sanctions is established that is suitable for systematic and reproducible analysis.

Finally, in international practice sanctions should be understood not only as an instrument of punishment or expression of condemnation, but also as an instrument of strategic management of behaviour, risks, and access to critical resources. This interpretation is especially important for contemporary sanctions regimes, where objectives are often formulated not in terms of immediate political capitulation, but in terms of deterrence, degradation of capacity, restriction of room for manoeuvre, increases in transaction costs, and changes in the environment of decision-making. For an analytical document, this is of fundamental importance because it allows sanctions to be assessed not by an inherently inflated criterion of immediate change in political course, but by more realistic and verifiable parameters of foreign-policy coercion. International practice shows that sanctions may simultaneously perform several functions: signalling an international position and legal assessment of the addressee's conduct, restricting its material and institutional capabilities, raising the cost of continuing a given policy, and creating conditions for a subsequent diplomatic or negotiating configuration. It is precisely this multifunctionality of sanctions that explains why their assessment requires a multidimensional methodology and why, in the present document, sanctions policy is examined through a combination of political economy, institutional-legal, comparative-historical, and policy-analytical approaches. In practical terms, this means that the subsequent analysis of sanctions against the Russian Federation will be conducted with due regard to the distinction between the symbolic, restrictive, degradational, deterrent, and compliance-mediated functions of the sanctions' regime. Consequently, the concept of sanctions in international practice is fixed here as a concept of a complex instrument of non-military foreign-policy coercion, implemented through legal and institutional mechanisms and aimed at changing the addressee's behaviour, capabilities, and strategic calculations. Such a formulation provides the necessary conceptual basis for the subsequent analysis of sanctions categories and the assessment of their effectiveness in relation to the Russian Federation.

1.3.2. The Evolution of Sanctions from “Targeted” Measures to Systemic and Hybrid Regimes

The evolution of sanctions in international practice from “targeted” (targeted, smart sanctions) to systemic and hybrid regimes constitutes one of the key processes in the transformation of foreign-policy coercive instruments from the late twentieth century to the first quarter of the twenty-first century. At an earlier stage, the turn towards targeted sanctions was largely associated with criticism of broad trade and economic embargoes, which often produced significant humanitarian consequences for civilian populations while offering limited precision in political impact on centres of decision-making. In

response, international and European practice increasingly placed emphasis on personalised and functionally targeted measures: asset freezes, visa restrictions, bans on the provision of specific services, and restrictions on particular legal entities and structures associated with undesirable conduct by states or non-state actors. In contemporary EU rhetoric and practice, the basic principle of targeting remains in place: restrictive measures should be directed at those whose behaviour is intended to be changed, rather than at the population as a whole. This principle is consistently reflected in official explanations of the nature of EU sanctions as a CFSP instrument and in the institutional communication of the Council of the EU. At the same time, the development of international financial, technological, and logistics systems has shown that, under conditions of high market interdependence, personal and narrowly targeted measures alone are often insufficient to achieve objectives of deterrence, degradation of capacity, or restriction of the strategic room for manoeuvre of the target state. As a result, sanctions practice began to move towards more complex architectures in which targeted measures do not disappear, but are embedded within broader sectoral, infrastructural, and anti-circumvention regimes. Consequently, it is more accurate to speak not of the replacement of one type of sanctions by another, but of a transition to a combined model in which targeting is retained as a principle but is implemented within a systemic and multilayered construction of restrictions.

For professional analysis, it is important to emphasise that the concept of “systemic sanctions” does not imply an automatic abandonment of targeting; on the contrary, it indicates a change in the level of impact—from individual subjects to entire functional contours of economic, financial, technological, and logistics infrastructure. Whereas first-generation targeted sanctions were concentrated primarily on specific persons, organisations, and point channels of financing, later regimes came to encompass sectoral restrictions, export controls on critical technologies, service bans, transport restrictions, limitations on access to capital markets, and measures affecting production chains and external economic intermediation. This logic is particularly visible in the contemporary EU sanctions architecture, where sanctions against Russia have developed towards increasingly complex packages combining personal, sectoral, trade, financial, and anti-circumvention components. Research literature on the transformation and design of EU restrictive measures directly notes that sanctions against Russia have become the most comprehensive in the history of the EU, which in itself indicates a qualitative shift from the classical model of “point pressure” to a regime of managed systemic restriction. In analytical terms, this means that effectiveness assessment cannot be based solely on counting the number of listed persons or organisations; it is necessary to analyse how measures actually close channels of access to capital, technology, logistics, services, and intermediary infrastructure. Consequently, the evolution towards systemicity is, above all, an evolution in the level of policy design, in which the object of impact becomes not only “who”, but also “how” the target political-economic system functions.

The next stage of transformation is associated with the transition from merely systemic sanctions regimes to hybrid ones, in which direct legal prohibitions are combined with instruments of indirect regulation, compliance pressure, anti-circumvention mechanisms, and international coordination across supply chains and financial operations. In such regimes, a substantial share of the effect arises not only from the formal norm published in an official act, but also from how that norm is interpreted and applied by banks, insurers, exporters, carriers, brokers, payment intermediaries, and other market participants. It is precisely for this reason that contemporary sanctions are becoming increasingly “hybrid” in an institutional sense: they operate at the intersection of law, risk regulation, corporate compliance, technical control, and cross-border data exchange. This shift is especially important for the EU, since the official architecture of restrictive measures is becoming ever more closely linked to guidance, interpretative clarifications, compliance practices, and heightened attention to circumvention schemes. European Commission resources and related instruments (including sanctions registers, consolidated lists, helpdesk mechanisms, and infrastructure for access to legal acts) reflect precisely this logic—sanctions as a regime requiring continuous institutional support and translation of norms into due diligence and enforcement practice. In analytical terms, this means that a contemporary sanctions regime cannot be described merely as an aggregate of prohibitions; it constitutes an ecosystem of legal and managerial mechanisms in which compliance and anti-

circumvention become not auxiliary but central elements of effectiveness. Consequently, the transition to hybridity is a transition from the model of “prohibition as event” to the model of “sanctions regime as a continuously supported system of risk and behaviour management”.

Particular attention should be given to the evolution of sanctions in the direction of anti-circumvention logic, which has in practice become one of the key features of mature contemporary regimes. Historically, many sanctions constructions encountered a predictable problem: as restrictions accumulated, addressees and associated actors reconfigured trade routes, created intermediary chains, altered corporate forms and jurisdictions, and increased the complexity of ownership and settlement structures. At earlier stages of sanctions policy, these processes were often treated as side effects; in contemporary regimes, however, countering circumvention has become a distinct direction of policy design. In relation to Russia, this is especially visible in the evolution of EU packages, where over time the focus increased on intermediary jurisdictions, shadow logistics schemes, service restrictions, and mechanisms of control over supplies of sensitive goods and technologies. European expert analytical materials likewise emphasise the strengthening of the anti-circumvention component as a structural, rather than secondary, element of EU sanctions policy. For the purposes of the present document, this is of fundamental importance because it shows that the development of sanctions occurs not only through expansion of the list of prohibitions, but also through improvement in the quality of the regime’s “closure”, i.e., its capacity to block channels of adaptation and intermediation. Consequently, analysis of the evolution of sanctions must take into account not only horizontal expansion of measures (more objects, more sectors), but also vertical complication of the enforcement mechanism (better control, more data, stronger coordination, greater sensitivity to circumvention schemes).

From a comparative-historical perspective, the transition from targeted to systemic and hybrid regimes also reflects the broader transformation of the international environment, in which economic interdependence, the digitalisation of financial flows, and the globalisation of supply chains have simultaneously expanded and complicated the possibilities of sanctions pressure. In conditions where critical components, software, financial services, insurance, maritime logistics, payment infrastructure, and technological platforms are distributed across multiple jurisdictions and private actors, effective coercion requires not only formal prohibition but also deep integration of legal, technical, and institutional instruments. This is precisely why the contemporary sanctions regime increasingly relies on a combination of “hard” prohibitions and “soft” mechanisms of managed risk: enhanced due diligence, de-risking, counterparty verification requirements, strengthened export controls, and coordination between regulators and compliance units. For analytical purposes, this means that the concept of hybridity should be used not only in a politico-military sense, but also in a regulatory-institutional one: sanctions become hybrid because their effectiveness is distributed between state rule-making and private enforcement in the broad sense. This interpretation is especially productive for the subsequent analysis of sanctions against the Russian Federation, because it makes it possible to explain why certain effects emerge through the preventive behaviour of markets and intermediaries even where direct prohibition covers only part of operations. Consequently, the evolution of sanctions towards hybrid regimes is not a temporary feature of one case, but a durable trend in contemporary international restrictive-measures practice.

It is also important to note that the transition to systemic and hybrid regimes does not negate the normative and political significance of the principles of proportionality, targeting precision, and minimisation of unintended consequences. On the contrary, as sanctions architecture becomes more complex, the importance of design precision increases: the broader the potential scope of restrictions, the higher the risk of collateral effects, legal uncertainty, and fragmented enforcement. This is why EU practice continues to emphasise that restrictive measures should be directed at those whose behaviour is intended to be changed, while at the same time seeking to minimise undesirable consequences. Under conditions of systemic and hybrid sanctions, this principle is implemented no longer only through personal listings, but also through more refined calibration of exceptions, derogations, transitional

periods, definitional clarity, guidance, and anti-circumvention design. For an analytical document, this is especially important because it helps to avoid a false dichotomy between “targeted” and “systemic” sanctions as if they were mutually exclusive models. In reality, contemporary sanctions policy represents an attempt to combine systemic depth of impact with manageable targeting and legal enforceability. Consequently, the evolution of sanctions should be assessed not as a movement from “precision” to “scale”, but as a more complex process of institutional search for balance between depth of pressure, quality of enforcement, international coordination, and the political durability of the regime.

Finally, for the subsequent analysis of sanctions policy against the Russian Federation, it is essential to establish that contemporary sanctions architecture constitutes not a static set of measures, but a dynamic regime passing through continuous cycles of expansion, refinement, adaptation, and institutional learning. It is in this context that the transition from targeted to systemic and hybrid regimes acquires not only historical, but also practical significance: it sets the framework within which the effectiveness of already introduced measures and the prospects for their further calibration should be assessed. The key issue becomes not only the stringency of restrictions, but also the quality of their combination, the capacity to close channels of circumvention, the coherence between legal and compliance frameworks, and the proportionality of side effects. In this perspective, sanctions appear as an evolving policy regime of foreign-policy coercion in which effectiveness is determined by the combination of design quality, implementation capacity, enforcement coherence, and adaptability. It is precisely this logic that will be used in the subsequent examination of specific sanctions categories and in assessing their effectiveness across political, economic, social, legal, and hybrid dimensions. In this way, the concept of sanctions evolution acquires applied significance here: it becomes an instrument for a more precise interpretation of the current sanctions’ regime and for the development of realistic recommendations for its further evolution in the medium term.

1.3.3. Specific Features of the Sanctions’ Regime against the Russian Federation (2022–2025)

The specific features of the sanctions regime against the Russian Federation in the period 2022–2025 lie, above all, in its scale, multilayered character, and accelerated package-by-package evolution, unprecedented in EU practice. According to the official position of the Council of the EU, by the end of 2025 nineteen sanctions packages had been adopted against Russia, and the regime itself is described as “massive and unprecedented”, with the stated objective of maximising pressure on Russia and reducing its ability to continue the war against Ukraine. The Council of the EU also explicitly refers to the temporary, calibratable, and proportionate nature of the measures, which is important for understanding sanctions not as a one-off political act, but as a managed regime of continuous adjustment.

A key feature of the 2022–2025 regime is its cumulative architecture: as a rule, new packages do not replace earlier ones, but supplement, refine, and “densify” restrictions already in force. This is particularly visible in the official timeline logic of the Council of the EU, where sanctions packages are presented as a sequence of escalation and adaptation of instruments—from the early political-financial and personal measures of February 2022 to more complex sectoral, technological, service-related, and anti-circumvention decisions in 2024–2025. Such a format produces not only an effect of expanding scope, but also one of institutional learning: the sanctions regime develops through cycles of identifying vulnerabilities, closing loopholes, and improving enforceability.

A second distinctive feature is the simultaneous combination of several contours of sanctions pressure within a single EU political line. This concerns not only sanctions “in connection with the war against Ukraine”, but also parallel regimes related to human rights violations in Russia, the undermining of democracy and the rule of law, and hybrid activity against the EU and Member States. On the official Council of the EU page, this is specifically highlighted as a separate block of “other sanctions against Russia”, demonstrating that the sanctions regime against the Russian Federation in 2022–2025 acquired

the character of a multi-regime construction in which military, human-rights, and hybrid tracks mutually reinforce political pressure.

A third specific feature is the high degree of integration of economic, financial, technological, and compliance-oriented measures. In its official overview, the European Commission emphasises that after 24 February 2022 the EU “massively expanded” sanctions, including unprecedented measures aimed at weakening Russia’s economic base, depriving it of critical technologies and markets, and substantially limiting its ability to wage war. At the same time, the Commission separately underlines that the relevant regulations create legal obligations for all persons and entities under EU jurisdiction, meaning that the sanctions regime was designed from the outset as an enforcement system rather than merely as a diplomatic signal.

A fourth specific feature is the gradual transition to a pronounced anti-circumvention logic as a structural element of the regime. In practice, this means that by 2024–2025 an important objective became not only the introduction of new prohibitions, but also the restriction of intermediary schemes, shadow logistics, service channels, and financial circumvention routes. Official communication by the Council of the EU and the Commission in relation to later packages (including the nineteenth) directly demonstrates such a shift: emphasis is moved towards the “shadow fleet”, third-country banks and operators, crypto infrastructure, and measures that strengthen implementation control and make circumvention of existing restrictions more difficult.

A fifth important element of the regime’s specificity is the extension of sanctions pressure to the infrastructure of military financing and the external economic support system of Russia beyond the territory of the Russian Federation as such. In the nineteenth package (23 October 2025), the Council of the EU set out measures concerning energy, finance, and the military-industrial complex, including additional listings, prohibitions on transactions with additional banks (including those in third countries), measures against crypto providers, expansion of sanctions against the “shadow fleet”, and further restrictions in the energy sphere (including measures relating to LNG and operations involving major Russian oil companies). This shows that by the end of the period under review the EU sanctions regime was already clearly oriented not only towards Russia’s “internal” assets, but also towards external nodes supporting its war economy.

A sixth specific feature is the combination of sanctions with mechanisms for managing frozen/immobilised Russian assets, above all the assets of the Central Bank of Russia. According to Council of the EU Q&A materials, following the prohibition on transactions related to the management of reserves and assets of the Central Bank of Russia under the third package, assets and reserves of the Central Bank of Russia were immobilised in the EU, with the volume of such assets in the EU estimated at approximately €210 billion. The legal framework was subsequently adapted to enable the use of extraordinary revenues arising from their immobilisation to support Ukraine (reconstruction, self-defence, and related EU/G7 financial mechanisms). This is an important distinction of the 2022–2025 regime from earlier EU sanctions practice: here sanctions partially evolve from a model of “blocking access” to a model of “managing the consequences of blocking in support of the victim of aggression”.

A seventh distinguishing feature is the significant role of the institutional infrastructure supporting sanctions implementation. The contemporary regime against the Russian Federation relies not only on Council decisions and regulations, but also on public EU information and compliance resources: sanctions registers, the EU Sanctions Map, interpretative clarifications, FAQs, and helpdesk mechanisms. The European Commission explicitly positions these instruments as part of the sanctions’ implementation ecosystem. This is especially important for assessing effectiveness: in the context of complex supply chains and financial operations, the practical force of sanctions increasingly depends on the quality with which legal norms are translated into the day-to-day activities of banks, exporters, carriers, insurers, and other operators.

An eighth specific feature is the institutional dependence of the pace of sanctions escalation on political coordination within the EU, while at the same time preserving a high capacity of the regime for further

expansion. Official materials of the Council of the EU record the sequential adoption of packages in 2025 (the seventeenth on 20 May, the eighteenth on 18 July, and the nineteenth on 23 October), indicating continued adaptation of the regime even at a late stage of the sanctions cycle. At the same time, the very practice of packaging demonstrates that the EU sanctions regime against the Russian Federation remains politically sensitive to questions of consensus, distribution of costs, and the national priorities of Member States—i.e., its effectiveness is determined not only by legal design, but also by the durability of coalition will.

A ninth specific feature is that the sanctions regime against the Russian Federation in 2022–2025 cannot be adequately assessed by a single criterion of whether it “did/did not immediately change political behaviour”. According to the EU’s stated objectives, the regime is directed towards a broader set of tasks: increasing pressure, reducing Russia’s capacity to wage war, restricting access to technologies and markets, and progressively narrowing channels of circumvention. Consequently, analytical assessment must proceed from a multidimensional logic: political effect, resource-economic constraint, technological degradation, quality of enforcement, durability of circumvention schemes, and the cumulative effect of packages should be considered separately. This feature follows directly from the way in which the EU institutions themselves describe the objectives, temporary character, and calibratability of sanctions.

Finally, in practical terms, the specificity of the 2022–2025 regime lies in the fact that it became not merely a set of restrictive measures against a particular state, but a model of an advanced European sanctions governance regime under conditions of a prolonged high-intensity war on the continent. For this reason, in the subsequent critical analysis it is essential to treat sanctions against the Russian Federation as a dynamic system: with intersecting legal bases, multi-level enforcement, compliance-mediated impact, anti-circumvention evolution, and a high degree of dependence on political coordination between the EU and partners. In this perspective, effectiveness assessment should be based not only on the formal volume of prohibitions, but also on the quality of their combination, enforceability, and capacity to adapt to changing behaviour by the addressee and intermediaries.

1.3.4. Objectives of the Sanctions Regime against the Russian Federation

The objectives of the sanctions’ regime against the Russian Federation in 2022–2025 are not reducible to a single linear task and cannot be properly described by the formula of “immediately changing a political decision”. The contemporary sanctions architecture of the EU and its partners is designed as a multi-purpose regime of foreign-policy coercion, within which several types of objectives are pursued simultaneously, each with a different time horizon, a different operational logic, and different criteria of effectiveness. For this reason, in professional analysis it is essential to distinguish between the objectives of coercion, deterrence, degradation of capacity, signalling, and institutional constraint, even where in practical policy they are implemented through the same packages of measures. Such differentiation makes it possible to interpret more precisely why individual sanctions measures may demonstrate limited effect in one direction while remaining significant in another. In relation to the Russian Federation, this is especially important in view of the scale of the economy, the resource base, the duration of the war, and the state’s capacity for adaptation through internal mobilisation and external intermediary channels. Consequently, a sound assessment of the objectives of the sanctions’ regime must proceed from a multidimensional logic in which sanctions are treated as an instrument for changing the environment of decision-making, rather than solely as a mechanism of direct coercion towards a one-off political reversal. Within this framework, the sanctions regime appears not as a set of fragmented restrictions, but as a system of coordinated pressures on behaviour, capabilities, calculations, and the institutional configuration of the addressee. It is precisely this formulation that makes it possible to analyse effectiveness further across each objective dimension separately and in their cumulative interaction.

The first and most politically sensitive objective is coercion in the narrow sense, that is, creating such a level of costs, risks, and constraints as should induce the addressee to change specific behaviour. In the context of sanctions against the Russian Federation, this objective is linked primarily to ending or limiting the ability to continue the war against Ukraine, as well as to changing foreign-policy decisions that sustain escalation and prolonged warfare. However, in contemporary sanctions practice coercion is rarely realised as an immediate and linear mechanism; more often, it operates through the accumulation of pressure on public finances, export revenues, access to technology, logistics capabilities, the servicing of external economic operations, and the resilience of associated elite and corporate structures. For analytical purposes, this means that the objective of coercion should not be measured only by a single indicator of whether an immediate political reversal “did / did not occur”. It is far more appropriate to treat coercion as a function of the gradual alteration of the balance of benefits and costs for the political leadership and key institutional actors. At the same time, it must be recognised that in authoritarian and mobilisation-based regimes the political conversion of economic losses into policy change may be substantially delayed. Consequently, in relation to the Russian Federation the objective of coercion retains strategic significance, but its realisation is probabilistic, cumulative, and politically mediated. This requires particularly careful assessment in what follows, without inflated expectations of short-term effects and without premature conclusions regarding the “uselessness” of sanctions.

The second objective is deterrence, that is, reducing the probability of further escalation, expansion of aggressive actions, or opening of additional lines of pressure by increasing the expected cost of such actions. Unlike coercion, deterrence does not necessarily presuppose an immediate change in policy already being pursued; its task is to influence subsequent decisions, the expansion of operations, the tempo of military build-up, and the choice of instruments for continuing the conflict. For the sanctions’ regime against the Russian Federation, this means that part of the measures should be assessed by the extent to which they impede the expansion of the technological, industrial, financial, and logistics base for new phases of the war, and by the extent to which they strengthen the signal that the EU and its partners are prepared to intensify sanctions pressure in response to further actions. Deterrence here has both a material and a politico-institutional character: on the one hand, resources and instruments are constrained; on the other, a predictable sanctions response by the coalition is formed, increasing uncertainty for the addressee and its counterparties. In analytical terms, this is especially important because deterrence is often difficult to observe directly: its result is reflected in actions not taken, decisions deferred, and changes in routes, tempo, and forms of activity. Consequently, assessment of the deterrent function of sanctions against the Russian Federation requires indirect indicators and comparative analysis of behavioural dynamics, rather than merely recording formally adopted prohibitions. In the practical perspective of 2026–2030, deterrence remains one of the key objectives of the sanctions’ regime, since it is linked not only to the current conflict but also to the broader task of reducing the potential for further destabilisation of European security. In this way, sanctions perform not only a reactive but also a preventive function of constraining strategic manoeuvre.

The third objective is degradation of capacity, which is arguably the most operationally measurable and at the same time one of the most underestimated dimensions of the sanctions’ regime. In this case, the issue is not immediate political effect, but the systematic reduction of the target state’s ability to sustain and reproduce critically important elements of its military, technological, industrial, financial, and logistics system. In the regime against the Russian Federation, this objective is pursued through the combination of export controls, restrictions on the supply of dual-use technologies and sensitive components, financial prohibitions, service restrictions, transport measures, and pressure on external channels of support. From a methodological point of view, degradation of capacity is particularly important because it is more amenable to structural analysis: one can assess the narrowing of access to equipment and components, increases in transaction costs, lengthening of supply chains, deterioration in the quality of technological substitution, increases in financing costs, and growing dependence on a limited circle of intermediaries. At the same time, it must be recognised that degradation of capacity rarely means the “complete stoppage” of a system; more often, it manifests

itself as reduced efficiency, rising costs, declining quality, longer time lags, and reduced strategic flexibility. Consequently, in relation to the Russian Federation, the objective of degradation of capacity is central to the assessment of the medium-term and long-term effectiveness of sanctions, especially in combination with anti-circumvention measures. It is through this dimension that the sanctions regime is capable of generating a durable cumulative effect even where a certain degree of adaptation is preserved. In the subsequent sections, this type of objective should be analysed on the basis of comparative statistical data, sectoral indicators, and comparison between Russian and external sources.

The fourth objective is signalling, that is, the formation of a clear political-legal signal regarding the international assessment of the addressee's actions, the boundaries of acceptable conduct, and the existence of coalition will to maintain pressure. In public debate, the signalling function of sanctions is often underestimated as merely "symbolic"; in practice, however, it performs a structural role in maintaining the legitimacy of the regime, international coordination, and the predictability of market participants' behaviour. In relation to the sanctions' regime against the Russian Federation, signalling operates on several levels: external (towards Russia), intra-EU (towards Member States and their societies), coalition-level (towards G7 partners and other states), and market-level (towards banks, insurers, investors, carriers, and technology suppliers). Through the sequential adoption of packages, expansion of listings, updating of regimes, and public communication, EU institutions form not only a set of prohibitions, but also a durable expectation that violations of international law and the continuation of aggression will be met by further tightening of sanctions. In analytical terms, this matters because signalling affects behaviour even before the formal application of specific measures: it strengthens de-risking, increases sensitivity to compliance risks, and reduces the willingness of private actors to operate in grey zones. Consequently, the signalling function of sanctions against the Russian Federation should be treated as an autonomous objective rather than as a secondary communicative effect. It does not replace coercion or degradation of capacity, but substantially increases their practicability through support for coalition discipline and private enforcement in the broad sense. In this way, sanctions function not only as an instrument of restriction, but also as an instrument of normative and behavioural structuring of the international environment.

The fifth objective is institutional constraint, that is, the deliberate narrowing of the target state's room for action through changes in the rules of access to markets, services, technologies, financial infrastructure, international settlement channels, and intermediary mechanisms. Unlike degradation of capacity, which may be described primarily in terms of resources and efficiency, institutional constraint places emphasis on rules, access regimes, and the architecture of external opportunities. For the Russian Federation in 2022–2025, this is especially important because a substantial part of the sanctions effect is linked not only to direct economic losses, but also to the fact that state and private actors are compelled to operate within a narrower, less predictable, and more costly institutional environment. This is reflected in the complication of financial intermediation, restrictions on access to certain markets and services, increased dependence on a limited number of jurisdictions and operators, greater vulnerability to subsequent sanctions packages, and stronger anti-circumvention controls. In analytical terms, this objective is fundamental because it helps to explain why, even where partial adaptation and continued trade flows exist, the sanctions regime may gradually worsen the quality of the addressee's strategic position. Institutional constraint reduces freedom of manoeuvre, increases the cost of choosing alternatives, and deepens dependence on unstable circumvention solutions. Consequently, this objective is an autonomous and critically important dimension of sanctions policy against the Russian Federation, especially on the medium-term horizon, where decisive importance attaches not only to the volume of current resources, but also to the breadth of institutionally available options. It is precisely here that legal design, compliance instruments, and international enforcement coordination intersect.

It is essential to emphasise that the objectives listed above are not mutually exclusive and are not arranged in a simple linear sequence. In actual sanctions policy against the Russian Federation, the

same measure may simultaneously perform several functions: for example, an export prohibition may contribute to degradation of capacity, have a deterrent effect in relation to further build-up, signal readiness to tighten the regime, and institutionally constrain access to a critical market segment. Similarly, measures against intermediary banks and service operators may not only complicate current operations, but also strengthen the anti-circumvention component, thereby increasing the overall effectiveness of restrictions already in force. For analytical purposes, this means the need for a matrix-based rather than one-dimensional approach to sanctions objectives: assessment must take into account overlapping functions, different time horizons, and unequal sensitivity of indicators. Such an approach is especially important in order to avoid the simplified conclusion that sanctions “failed to achieve their objective” where in each case the objective is implicitly reduced to a maximalist version of coercion. Consequently, in relation to the Russian Federation, it is more accurate to speak of a profile structure of sanctions-regime objectives, in which different types of measures have different primary and secondary functions. This makes it possible to build a more precise and professional framework for the subsequent assessment of effectiveness across political, economic, social, legal, and hybrid dimensions. In this way, the link is established between the conceptual description of sanctions and the practical evaluation of their operation.

Of particular importance for the subsequent analysis is the distinction between short-term, medium-term, and long-term objectives of the sanctions’ regime against the Russian Federation. Short-term objectives relate to a greater extent to signalling, the immediate increase of transaction costs, and partial deterrence of specific decisions; medium-term objectives relate to institutional constraint, the strengthening of anti-circumvention architecture, and the accumulation of effects of degradation of capacity; long-term objectives relate to sustained reduction of strategic flexibility, narrowing of possibilities for technological reproduction, and alteration of foreign-policy calculations through long-term redistribution of costs. Such temporal differentiation is necessary for sound analysis, because without it there is a high risk of conflating different expectation horizons and drawing methodologically weak conclusions on effectiveness. In relation to the Russian Federation, this is especially relevant given the regime’s high capacity for short-term stabilisation through redistribution of internal resources, administrative control, and the use of alternative external channels. Consequently, the absence of an immediate political break cannot automatically be interpreted as the absence of effect in respect of medium-term and long-term objectives. At the same time, the existence of certain signs of adaptation should not automatically be treated as neutralisation of the sanctions’ regime as a whole. In practical terms, this means that subsequent sections of the analysis will need to evaluate each group of sanctions through the relevant time horizon and set of indicators. It is precisely this calibration of objectives that makes it possible to move from politicised assessments to reproducible policy analysis.

In the context of the EU and its partners, an important feature is also that the objectives of the sanctions regime against the Russian Federation are formulated and implemented under conditions requiring the preservation of coalition durability, legal enforceability, and political legitimacy of the regime within democratic systems. This imposes an additional constraint on sanctions design: measures must be not only sufficiently stringent in relation to the addressee, but also sufficiently manageable in terms of collateral effects, compliance burden, judicial robustness, and institutional implementability. For this reason, the objectives of coercion, deterrence, and degradation of capacity in EU practice are inevitably correlated with the objective of preserving the operability of the sanctions’ architecture itself. In analytical terms, this is not a “weakening” of sanctions policy, but its institutional reality: the effectiveness of the regime is determined by its ability simultaneously to sustain pressure on the Russian Federation and to preserve the reproducibility of enforcement within the coalition. Consequently, assessment of sanctions objectives must also take account of a meta-level objective—maintaining sanctions as a durable instrument of public policy over a prolonged period. This aspect is particularly important for the 2026–2030 horizon, where the key issue becomes not only the introduction of new measures, but also the preservation of manageability of the already accumulated normative corpus. In this way, the objectives of sanctions against the Russian Federation should be treated in a dual logic: as objectives of impact on the addressee and as objectives of maintaining the institutional viability of the

pressure regime itself. Such a formulation creates a more realistic basis for subsequent analytical conclusions and recommendations.

Finally, from an applied perspective, the sanctions regime against the Russian Federation should be treated as a multifunctional system of foreign-policy coercion in which coercion, deterrence, degradation of capacity, signalling, and institutional constraint form an interconnected objective architecture. This means that subsequent effectiveness assessment should not be oriented towards identifying a single “main” effect, but towards determining which functions are operating more strongly, which weaker, where a gap exists between design and implementation, and which elements require recalibration in order to strengthen cumulative pressure. In this perspective, sanctions against the Russian Federation appear not as a static reaction, but as a calibratable regime capable of combining political signalling, economic-technological constraint, compliance-mediated impact, and anti-circumvention adaptation. It is precisely this framework that is the most productive for the transition to the subsequent parts of the document, where a critical analysis will be undertaken of individual categories of sanctions, their actual effectiveness, limitations, and prospects for development in 2026–2030.

1.4. Conclusion

Part One establishes that the EU and partners’ sanctions regime against the Russian Federation should be treated as a *single, cumulative architecture* rather than as a sequence of disconnected “packages”, because the later measures increasingly function as refinements that close loopholes and raise the cost of circumvention, rather than as mere additions to a list of prohibitions. The core analytical implication is that a purely chronological reading risks confusing quantity (number of packages) with *design quality* and enforceability, whereas the actual trajectory shows a shift in priorities from early financial and technology restrictions towards energy revenues, logistics constraints, the shadow fleet, and re-export controls. Part One therefore frames sanctions as a dynamic system whose effects are mediated through institutions, markets, and compliance infrastructures, and whose consequences include both immediate disruptions and delayed structural costs (investment-cycle degradation, technological ageing, and infrastructure reproduction problems). A major conclusion is that the report rejects binary public-discourse claims (“sanctions work / do not work”) as methodologically inadequate, because sanctions effectiveness is inherently multidimensional and time-lagged. This framing is critical to the report’s internal logic, since it positions later sections to evaluate effectiveness by *channels and time horizons*, rather than by a single headline political outcome.

Part One further concludes that sanctions effectiveness must be assessed through a structured, multi-criteria model that distinguishes at least normative-political, economic, social, and enforcement/compliance effectiveness, thereby preventing both exaggeration and denial of sanctions impact. A second key conclusion is that the EU does not operate in isolation; practical effectiveness depends on the degree of coordination with partners (notably the G7) and on whether measures across jurisdictions reinforce, duplicate, or leave exploitable gaps. This implies that “formal stringency” in legal text can underperform in practice when enforcement is uneven or third-country routes remain viable, while narrower measures can overperform if embedded in coordinated monitoring and control systems. Part One also places strong emphasis on the evidential base: credible evaluation requires triangulation, comparability, and explicit attention to data-quality constraints, because measurement problems and selective publication can materially distort conclusions in contested information environments. As a result, the report’s Part One functions as a methodological “gatekeeper”: it defines what counts as robust inference about sanctions impact and what should be treated as weak or non-comparable evidence.

Methodologically, Part One’s overall conclusion is that sanctions analysis must integrate political economy and institutional-legal reasoning with comparative-historical and policy-effectiveness evaluation, because sanctions operate through both state decisions and private compliance behaviours within complex cross-border systems. The report’s conceptual position is that sanctions should be understood not merely as punishment, but as strategic management of behaviour, risk, and access to critical resources, with realistic objectives often focused on deterrence, capacity degradation, restricted room for manoeuvre, and transaction-cost inflation rather than immediate political capitulation. In this sense, Part One anchors later analysis in a “mechanisms-first” approach: it prioritises how restrictions translate into constrained capabilities (finance, technology, logistics, services) and how the target state adapts via substitution, circumvention, and compensatory restructuring. It also formalises the idea that contemporary sanctions regimes have evolved from targeted measures to systemic and hybrid regimes where enforcement depends heavily on compliance ecosystems and coalition governance. The key implication is that the report is designed to measure *institutional durability and enforceability* as much as raw economic shock, because hybrid sanctions often work through risk aversion, de-risking, and preventive market behaviour.

Substantively, Part One concludes that the Russia-focused regime in 2022–2025 is best characterised as unprecedented in scale and increasingly “governance-like” in its evolution: packages densify the regime, strengthen anti-circumvention measures, and extend pressure to external nodes (logistics, intermediaries, and enabling services), making the system highly adaptive rather than static. A central conclusion is that this regime cannot be evaluated by whether it has “immediately changed political behaviour”, because the EU’s stated objectives encompass broader tasks: reducing Russia’s war capacity, restricting technology and market access, and progressively narrowing circumvention channels. Therefore, Part One establishes an analytical necessity to treat sanctions as a *dynamic system* with multi-level enforcement and compliance-mediated impact, where effectiveness hinges on the quality of measure combinations and the ability to adapt to behavioural changes by Russia and intermediaries. This also implies that “success” must be decomposed into measurable sub-outcomes (e.g., technology denial, logistics friction, financial isolation, and enforcement reach), rather than inferred from aggregate macro-stability or isolated indicators. In short, Part One prepares the evaluative logic for later sections by defining sanctions as cumulative pressure regimes whose impact is realised through multiple interacting channels.

Finally, Part One concludes that the most policy-relevant way to structure the report’s subsequent analysis is to treat EU sanctions as a multi-purpose coercive architecture whose objectives should be explicitly separated into coercion, deterrence, degradation of capacity, signalling, and institutional constraint, each with different mechanisms and time horizons. This objective differentiation is positioned as the remedy to common analytical errors—especially the reduction of effectiveness to a single political test—because a measure may underperform in coercion while remaining significant in degrading capacity or tightening institutional constraints. As a result, Part One’s overarching conclusion is that a robust assessment of the EU sanctions regime against Russia requires (1) multi-dimensional metrics, (2) coalition-context evaluation, and (3) evidence discipline through triangulation, all within an explicitly mechanism-based framework. This creates a coherent foundation for Parts Two and Three: they should not merely catalogue restrictions, but test how the sanctions system reshapes the operating environment of the Russian state and economy through enforceable, adaptive, and internationally coordinated pressure.

PART TWO

Sanctions in the Political Sphere and Their Effectiveness

2.1. General Characteristics of Political Sanctions

2.1.1. The Concept of Political Sanctions

Political sanctions in international practice constitute a category of restrictive measures whose primary purpose is linked not so much to the infliction of direct economic damage as to changing the political status, foreign-policy legitimacy, diplomatic room for manoeuvre, and international subjecthood of the addressee. Unlike economic and financial sanctions, political sanctions operate primarily in the sphere of inter-state recognition, institutional participation, diplomatic communication, and the symbolic-normative position of a state, or of officials associated with it, within the international system. Their effect, however, should not be treated as merely “symbolic”: under contemporary conditions, political sanctions often create real constraints on the international manoeuvrability, negotiating position, channels of influence, and coalition-building capacity of the target state. For professional analysis, it is important that political sanctions may exist both in a standalone form and in conjunction with economic, legal, and personal measures, strengthening the latter through delegitimation of the addressee’s conduct and increasing the international coherence of the pressure regime. In the context of the sanctions policy of the EU and its partners against the Russian Federation, this is particularly evident, since political measures accompanied and structured the subsequent escalation of sectoral and other restrictions. Consequently, the concept of political sanctions should be defined not by the criterion of an “absence of economic content”, but by the dominant mechanism of impact—namely, political-diplomatic narrowing of opportunities, international delegitimation, and institutional restriction of participation. Such an approach helps to avoid the methodological error of underestimating political sanctions as a secondary or purely declaratory component of the wider regime. On the contrary, in contemporary sanctions architecture they frequently perform the function of the initial framework that shapes the normative and coalition structure of subsequent pressure.

In substantive terms, political sanctions encompass a broad range of measures aimed at altering the diplomatic and international-institutional position of the addressee. These may include suspension or restriction of high-level political contacts, freezing of bilateral and multilateral cooperation formats, limitation of participation in international forums and institutions, refusal to hold joint events, downgrading of diplomatic engagement, as well as publicly articulated regimes of political isolation, delegitimation, and condemnation. In some cases, political sanctions in a broader analytical sense also include decisions to suspend negotiation processes under particular agreements, terminate institutional dialogues, exclude the addressee from consultative or representative mechanisms, and restrict access to platforms of political influence. At the same time, not all such measures are always formalised in the same legal format: some may be fixed in official legal acts, others in decisions of inter-state bodies, and others still in coordinated diplomatic practice within a coalition. For the purposes of the present document, this is of fundamental importance, because political sanctions against the Russian Federation are implemented precisely as a multilayered combination of legal, institutional, and diplomatic decisions. In analytical terms, this means that the assessment of political sanctions should not be limited to a list of formally adopted documents; it is also necessary to take account of the actual restructuring of international political interaction with the addressee. Consequently, the concept of political sanctions in this section is used in a functional sense: as a set of measures aimed at reducing the diplomatic, institutional, and reputational-political capacity of the target state’s foreign-policy

conduct. It is this understanding that provides a sound basis for the subsequent analysis of specific political sanctions and the assessment of their effectiveness.

A key characteristic of political sanctions is their impact on the legitimisation and reproduction of the addressee's international position. Whereas economic sanctions primarily affect resources, markets, and transactional capabilities, political sanctions affect a state's ability to sustain the status of a "normal" participant in the international order in the eyes of other states, international organisations, diplomatic corps, and global public audiences. This effect is manifested through institutional marginalisation, reduced density of political contacts, restricted access to channels of formal and informal influence, and the establishment of a durable normative framework in which the addressee's conduct is classified as unacceptable. In the sanctions' regime against the Russian Federation, this function is of particular significance, because political sanctions not only express condemnation, but also shape a long-term international environment in which further interaction with Russian state institutions becomes more risky, more costly, and more politically sensitive for external partners. In this regard, political sanctions should be treated as an instrument for changing not only the behaviour of the addressee, but also the behaviour of third actors in relation to it. In analytical terms, this is especially important because the effectiveness of political sanctions often manifests itself not in a direct responsive change in the target state's policy, but in the restructuring of international coalition discipline, diplomatic distance, and institutional barriers to its foreign-policy activity. Consequently, the concept of political sanctions must include their dual effect: impact on the addressee and simultaneous structuring of the external environment around it. Such an approach makes it possible to assess their place in the overall sanctions architecture more precisely and to avoid the simplified view of political measures as merely the "rhetorical accompaniment" to economic restrictions.

Particular attention should be paid to distinguishing political sanctions from adjacent categories—diplomatic response measures, foreign-policy statements, legal qualifications, and personal restrictions. In practical policy, these elements are often applied simultaneously and perceived as a single block of pressure; however, for analytical work they must be differentiated according to their mechanism of action and expected outcome. Not every political condemnation constitutes a sanction in the strict sense if it is not accompanied by an institutionally meaningful restriction of access, participation, or interaction. Likewise, not every personal measure automatically belongs to political sanctions if its primary mechanism of impact is financial, migration-related, or compliance-legal in nature. At the same time, a number of personal restrictions imposed on senior officials, official representatives, and politically significant figures may perform a pronounced political-sanctions function, since they directly affect diplomatic representation, international communication, and the symbolic status of the addressee. For the present document, this distinction is of fundamental importance, because further on it will be necessary to classify measures according to the dominant type of impact while preserving an understanding of their inter-category overlaps. Consequently, the concept of political sanctions in this section is defined not formally by the title of the measure, but analytically—by the predominant channel of its foreign-policy and institutional effect. Such methodological precision is especially necessary for a critical assessment of effectiveness, since it makes it possible not to conflate the effect of delegitimation, the effect of isolation, the effect of economic restriction, and the effect of enforcement pressure. In this way, a more precise basis is created for the subsequent examination of political sanctions of the EU and its partners against the Russian Federation.

From the standpoint of the logic of foreign-policy coercion, political sanctions perform several interrelated functions. First, they fix the international-political qualification of the addressee's conduct and establish the normative framework within which subsequent restrictive measures acquire additional legitimacy and coalition support. Secondly, they reduce diplomatic room for manoeuvre, making it more difficult to use established channels of influence, reputational compensation, and institutional presence. Thirdly, they strengthen the signalling function of the sanctions regime as a whole by providing third countries, international organisations, and private actors with a clearer understanding of the political seriousness and expected duration of the pressure regime. Fourthly, they may play a

preventive role by increasing the political cost of further escalation or refusal of negotiated and legal solutions. For the analysis of sanctions against the Russian Federation, these functions are especially significant, because political sanctions serve as one of the key mechanisms for maintaining coalition durability and the international interpretative framework of events. In analytical terms, this means that the effectiveness of political sanctions should be assessed not only by the criterion of whether the addressee's behaviour changed, but also by the criteria of international consolidation, durability of the isolation regime, reproducibility of the political signal, and the capacity to prevent diplomatic normalisation in the absence of changes in baseline conditions. Consequently, the concept of political sanctions must be embedded from the outset in a multidimensional assessment model, rather than in a narrow criterion of immediate coercion. This is particularly important for the subsequent structure of the section, where it will be necessary critically to compare the stated objectives of political measures with their actual effects and implementation constraints.

Finally, within the applied framework of the present document, political sanctions should be understood as institutionally and diplomatically formalised restrictive measures aimed at delegitimising the conduct of the target state, narrowing its international political space, and strengthening the coalition pressure regime. Such a working definition makes it possible to preserve both terminological precision and analytical flexibility: it covers both formal restrictions on participation and contacts, and more complex regimes of political-institutional exclusion, provided they have a durable restrictive effect. In relation to the Russian Federation, this is especially important because the political sanctions of 2022–2025 do not operate in isolation, but as part of a cumulative architecture in which political isolation, legal qualification, economic pressure, and compliance-mediated mechanisms reinforce one another. Consequently, the further analysis in Part 2 will proceed on the basis of an understanding of political sanctions as an autonomous category with its logic of effectiveness, but in constant connection with other types of sanctions pressure. Such an approach provides the methodological basis for the subsequent review of specific political sanctions, their advantages, limitations, implementation problems, and prospects of effectiveness in 2026–2030.

2.1.2. Reasons for the Introduction of Sanctions against Russia

The reasons for the introduction of sanctions against the Russian Federation in contemporary international practice are complex in nature and cannot be reduced to a single political reaction to an isolated episode. For professional analysis, it is essential to proceed on the basis that the sanctions regime against Russia was formed as a response to a set of actions interpreted by European institutions and partners as a systemic violation of fundamental principles of international law, European security, and norms of inter-state conduct. In this sense, the reasons for introducing sanctions include not only an event-based trigger, but also a broader context—namely, the accumulation of conflict between the foreign-policy course of the Russian Federation and the normative-legal foundations of the European order. This approach is particularly important for the analysis of political sanctions, because it is political sanctions that, as a rule, first fix the international-political qualification of what is occurring and establish the framework for the subsequent expansion of restrictive measures. Consequently, a sound description of the reasons for introducing sanctions against Russia must take into account both immediate grounds (specific actions and decisions) and structural grounds (the perception of a threat to international security, the undermining of state sovereignty, and the destabilisation of the regional order). This makes it possible to avoid a simplified scheme in which sanctions are treated merely as an emotional-political response, and to move towards a more precise understanding of them as an institutionalised form of foreign-policy reaction. In analytical terms, such an approach creates the basis for subsequent assessment of the proportionality, logic, and effectiveness of political sanctions. At the same time, it makes it possible to distinguish officially declared reasons for the introduction of sanctions from accompanying political motives, which may affect the pace, design, and depth of the sanctions regime but do not exhaust its normative foundation.

The first group of reasons is connected with the military-political actions of the Russian Federation against Ukraine, which in European and broader coalition interpretation are regarded as a grave violation of international law, and of the sovereignty and territorial integrity of Ukraine. It was this factor that became the central basis for the sharp expansion of the sanctions regime of the EU and its partners in 2022 and gave sanctions policy a qualitatively different scale compared with earlier phases of restrictive measures. For the purposes of the present document, it is important to emphasise that in the political-sanctions logic the issue is not merely a reaction to the fact of armed conflict as such, but a reaction to the type of action involved—the use of force and the conduct of war in violation of norms which European institutions regard as fundamental to the post-war order and the security architecture in Europe. In this respect, political sanctions perform the function of a primary normative response: they record the international-political assessment of what is occurring, restrict the normalisation of diplomatic relations, and prepare the legitimating basis for subsequent economic, financial, technological, and legal measures. Consequently, the military-political factor is not simply “one of the reasons”, but the system-forming foundation of the sanctions regime against the Russian Federation in 2022–2025. At the same time, for analytical accuracy it is necessary to recognise that this factor operates in combination with other sanctions grounds rather than in complete isolation from them. It is precisely this multilayered set of reasons that helps to explain why the sanctions regime acquired a cumulative and multi-regime character. In what follows, this has fundamental importance for the assessment of political effectiveness: sanctions respond not only to specific military actions, but also to the broader problem of changes in rules of conduct within the European security system.

The second group of reasons concerns the undermining of international security and stability in the European region in a broader sense, including the creation of long-term risks of escalation, destabilisation of neighbouring states, and erosion of the predictability of foreign-policy interaction. For the EU and its partners, sanctions against the Russian Federation in this respect function not only as a retrospective punitive measure for actions already taken, but also as an instrument for limiting further destabilising capabilities. In the logic of political sanctions, this means that their introduction is motivated not only by an assessment of past events, but also by the need to create a foreign-policy barrier against expansion of the crisis, the spread of coercive practices, and the normalisation of force-based revision of international borders. This causal framework is especially significant for political sanctions because they are the fastest means of demonstrating a coalition position, marking the boundaries of acceptable conduct, and fixing institutional distance vis-à-vis the target state. Consequently, in this case sanctions are introduced not only as a means of response, but also as an instrument of preventive stabilisation of the international environment. For subsequent critical analysis, this is important because it makes it possible to assess political sanctions not solely by the criterion of coercing an immediate change in behaviour, but also by the criterion of deterring further escalation and strengthening the coalition security architecture. Such an approach is consistent with the logic of European policy analysis, in which the reasons for introducing restrictive measures are considered together with the task of managing risks to the international order. In this way, political sanctions against the Russian Federation acquire an additional justification as an element of a broader strategy to protect European security and the normative resilience of international relations.

The third group of reasons is connected with the need for politico-legal delegitimation of certain actions and practices, in which sanctions perform the function of publicly formalising the international assessment of the unacceptability of the target state’s conduct. In this aspect, sanctions against Russia are introduced not only to create direct restrictions, but also to formalise the normative position of a coalition of states and international institutions. This is especially characteristic of political sanctions, since they operate directly in the field of international recognition, status, and diplomatic representation. In such circumstances, failure to provide a political response could be interpreted as a de facto downgrading of the significance of violated norms and as a signal of the permissibility of subsequent repetition of similar actions. Consequently, one of the reasons for introducing political sanctions against the Russian Federation is the maintenance of the normative force of international rules themselves through an institutionally formalised response to their violation. In analytical terms,

this matters because this reason is not always directly linked to an expectation of rapid behavioural effect on the part of the addressee; its result is also measured in terms of international consolidation, legal and political clarity, and the reproducibility of coalition positioning. For subsequent analysis of effectiveness, this means that part of the political sanctions should be assessed in categories of normative signalling and delegitimation, rather than only in categories of direct coercion. Such an approach avoids the methodological error of evaluating all sanctions through a single criterion of short-term change in Russian policy. In this way, the reasons for introducing political sanctions are revealed not only as a reaction to actions, but also as a mechanism for sustaining the normative structure of the international order.

The fourth group of reasons relates to the protection of the institutional integrity and political coherence of the European Union itself and of the coalition of partners. In EU practice, sanctions policy against the Russian Federation is not only an instrument of external pressure, but also a mechanism of internal coordination of common foreign and security policy. In this context, the introduction of political sanctions performs a consolidating function: it enables Member States and EU institutions to formalise a common position, establish a shared language of political assessment, and create the basis for subsequent agreement on more costly and complex measures—economic, financial, technological, and legal. In other words, part of the reasons for introducing sanctions against Russia lies not only in the sphere of influencing the addressee, but also in maintaining the operational capacity of the sanctions' coalition as a political actor. For analysis, this is of fundamental importance because it helps to explain why political sanctions are often adopted more quickly and form the “framing” level of pressure before the introduction of more deeply elaborated sectoral restrictions. Consequently, political sanctions should also be understood as an instrument for initiating and maintaining the sanctions architecture as a whole. In what follows, this will make it possible to assess their effectiveness more accurately in two directions: external (impact on the Russian Federation) and internal (maintenance of coalition durability and normative coherence of the EU and partners). Such a dual perspective is especially important for critical analysis, because it avoids simplified conclusions about the “ineffectiveness” of political sanctions based solely on the limited nature of their direct impact on the addressee's behaviour. In this way, the reasons for introducing political sanctions include a component of strategic organisation of the pressure regime itself.

The fifth group of reasons is connected with the need to prepare and legitimise subsequent expansion of the sanctions' regime in other spheres—economic, financial, technological, legal, and compliance-oriented. In contemporary practice, sanctions are rarely introduced in their full extent at a single moment; more commonly, a sequential trajectory of escalation is formed in which political measures play the role of the initial level of institutional and normative codification of the conflict. This is particularly characteristic of sanctions against the Russian Federation: political sanctions and political-diplomatic restrictions not only express the position of the EU and its partners, but also create the basis for the subsequent transition to more costly and technically complex restrictive regimes. From this perspective, one of the reasons for their introduction is the formation of a manageable process of sanctions escalation in which the coalition can increase pressure step by step while preserving political legitimacy and procedural coherence. In analytical terms, this makes it possible to treat political sanctions as a “linking” element between the initial response and the long-term sanctions strategy. Consequently, the reasons for their introduction should be assessed not only by reference to the content of a particular event, but also by reference to their place within the overall architecture of sanctions policy design. For subsequent critical analysis, this is important because it makes it possible to understand in which cases political sanctions were a standalone measure and in which they were part of a phased construction designed for subsequent densification of the regime. Such an approach increases the precision of effectiveness assessment because it links reasons for introduction with the actual function of the measure within the sanctions sequence. In this way, political sanctions against the Russian Federation are revealed as an instrument not only of reaction, but also of structuring the subsequent coercive regime.

The sixth group of reasons concerns response to a broader spectrum of actions associated by European institutions with the undermining of democratic institutions, human rights, the rule of law, and the security environment in Europe, including hybrid practices and destabilising activity. For the purposes of the present document, it is important to note that the sanctions regime against the Russian Federation in 2022–2025 developed not exclusively within a single “war” track: in parallel, other sanctions grounds linked to human-rights, institutional, and hybrid issues remained in force and continued to develop. This means that the reasons for introducing sanctions against Russia in the political sphere are multi-channel in character: some measures are directly linked to the war against Ukraine, while others are linked to a broader assessment of the conduct of the state and associated actors in relation to human rights, democratic processes, and the security of European states. For analysis, this circumstance is especially significant because it requires precise classification of political sanctions by ground of introduction and by dominant function. Consequently, when assessing the effectiveness of political sanctions, one must not mechanically transfer criteria from one sanctions’ ground to another. Measures introduced in connection with military aggression may have one set of objectives and indicators; measures related to human rights or hybrid activity may have another. Such an approach ensures methodological clarity in the subsequent analysis and reduces the risk of conflating different types of political-sanctions impact. In this way, the reasons for introducing sanctions against the Russian Federation must be treated as a composite system of grounds united by a common logic of pressure, but differing in immediate trigger and expected mechanism of effect.

Finally, within the applied framework of the present document, the reasons for introducing sanctions against Russia are best described as a combination of normative, security-related, coalition-political, and institutional-strategic grounds. Such a definition makes it possible to account simultaneously for officially declared motives (response to violations of international law, threats to European security, and unacceptable forms of state conduct) and for the functional logic of the sanctions’ regime (delegitimation, coalition consolidation, preparation of escalation, and restriction of the addressee’s international manoeuvrability). In relation to political sanctions, this is especially important because both their effectiveness and the rationality of their introduction are often best understood in the aggregate of these reasons, rather than within a single narrow explanation. Consequently, the further analysis in Part 2 will proceed on the basis that political sanctions against the Russian Federation were introduced as an instrument of multilayered foreign-policy response and risk management, rather than solely as an isolated measure of pressure. This provides the necessary basis for the subsequent review of specific political sanctions, their advantages, limitations, implementation problems, and prospects of effectiveness in 2026–2030.

2.1.3. Historical Analogues

Recourse to historical analogues of political sanctions is necessary not in order to transfer conclusions mechanically to the case of the Russian Federation, but in order to develop a sound comparative analytical framework. In professional policy analysis, historical comparisons perform two functions: first, they make it possible to identify recurring mechanisms of sanctions pressure (delegitimation, diplomatic isolation, coalition signalling, and institutional restriction of participation); secondly, they help to define the limits of applicability of analogies so as to avoid erroneous conclusions of the type “it worked / did not work last time. Therefore, it will be the same now”. This is especially important for the present document, because the sanctions regime against the Russian Federation combines the scale of a major power, a prolonged high-intensity war, deep integration into the world economy (in a number of sectors), and a multilayered sanctions architecture of the EU and its partners. Historical analogues should therefore be used as instruments of typological comparison rather than as direct predictive models. In this logic, the cases of South Africa, Iran, Yugoslavia, and Belarus are valuable primarily as different configurations of political sanctions: against an apartheid regime; against a state in prolonged sanctions confrontation with complex diplomacy; against a state / state formation in the context of war and UN Security Council decisions; and against a neighbouring authoritarian regime in the European

space with a high degree of dependence on an external patron. Consequently, the purpose of this subsection is not to identify an “ideal analogue” for Russia, but to extract comparative lessons regarding the types of political sanctions and their effectiveness.

2.1.3.1 The South African Case

The case of sanctions against South Africa during the apartheid period is one of the most frequently cited historical analogues in public debate; however, analytically it requires careful use. Its principal value for the present section lies in demonstrating how political sanctions and international delegitimation can gradually alter a state’s international status and narrow the space for diplomatic normalisation of a regime, even where there is no direct and rapid coercive effect. In the European context, it is important that the institutions of the European Community / EU themselves, in retrospective materials, recognise the long-term policy of sanctions pressure against apartheid in South Africa. This allows the case to be used as an example of how political sanctions may perform a long-term function of normatively fixing the unacceptability of a particular type of state order and practice.

At the same time, comparability with the Russian Federation is limited in several respects. First, in South Africa the central object of international delegitimation was the internal politico-legal regime of apartheid as an institutionalised system of racial discrimination, whereas in the Russian case in 2022–2025 the system-forming basis for sanctions escalation is the war against Ukraine and the violation of international security in Europe. Secondly, the international pressure structure against South Africa developed in a different era of globalisation, before the contemporary degree of digital financial interdependence and compliance infrastructure. Thirdly, political sanctions against South Africa are often interpreted retrospectively as part of a broader historical dynamic involving internal protest, international campaigning, economic pressure, and transformation of elite calculations, rather than as a self-sufficient cause of political change. Consequently, the principal lesson of the South African case for the present analysis is not the proposition that “sanctions alone changed the regime”, but the understanding that political sanctions may be effective as part of a long-term strategy of delegitimation and international isolation where broad coalition durability and cumulative effects are present.

2.1.3.2 The Iranian Case

The Iranian case is useful above all for analysing prolonged sanctions regimes in which political sanctions coexist with economic, financial, technological, and legal restrictions and periodically intersect with diplomatic openings and negotiations. Official Council of the EU materials on Iran reflect precisely a long-term, multilayered, and changing-over-time architecture of restrictive measures, including separate tracks (nuclear, human rights, drones / missiles, etc.). For the document, this is especially important because the Iranian case shows that political sanctions and political pressure may be maintained over an extended period without automatically leading either to complete political capitulation by the addressee or to complete neutralisation of the sanctions’ regime.

The comparative value of this case lies in three observations. First, political sanctions often operate within a “pressure + negotiating framework” logic, where the function of sanctions is not only punitive but also to alter the conditions of negotiation, increase the cost of refusing agreements, and structure the international coalition. Secondly, even under high sanctions pressure, the addressee may develop adaptation mechanisms, alternative channels, and a strategy of delay, which requires the sanctions coalition to recalibrate the regime continuously. Thirdly, in prolonged sanctions regimes, the institutional durability of the coalition and its capacity to preserve the legal and political legitimacy of sanctions over many years are critically important. At the same time, comparability with the Russian Federation is limited by the fact that the Iranian case historically centred to a significant extent on nuclear non-proliferation and related international legal tracks, whereas the Russian case in 2022–2025 has a different centre of gravity—war, European security, the war economy of a major power, and direct impact on the security architecture of the continent. Consequently, the Iranian case is most useful here as an analogue of duration, adaptation, and cycles of “escalation—recalibration—negotiation”, rather than as a direct outcome scenario for the Russian Federation.

2.1.3.3 The Yugoslav Case

The Yugoslav case (especially sanctions against the Federal Republic of Yugoslavia / Serbia and Montenegro in the 1990s) has particular value for analysing political sanctions in the context of war in Europe and international responses to armed conflict. Unlike many other cases, what matters here is not only the European level, but also the universal (UN) level of sanctions pressure. UN Security Council Resolution No 757 (1992) included not only economic restrictions but also measures with a pronounced political-diplomatic and social-political character: reduction of diplomatic and consular presence, restrictions on participation in sporting events, and suspension of scientific, technical, and cultural exchanges. For the present document, this is an important historical reference point, showing that political sanctions in a European conflict setting may form part of a broad regime of international isolation affecting not only official diplomacy, but also a state's representation in the international public sphere.

At the same time, comparability with the Russian Federation is substantially limited by scale, geopolitical status, and the structure of dependence on the external economy. The sanctions regime against Yugoslavia unfolded in a different configuration of the international system, with a greater role for the UN Security Council as the formal source of universal legitimacy for sanctions, and with a different structure of global supply chains and financial flows. In addition, the Yugoslav case is often characterised by a higher intensity of direct international isolation along certain lines of representation than is feasible in relation to a nuclear power and permanent member of the UN Security Council. Consequently, the principal lesson of this case for analysing the Russian Federation lies not in the degree of comparability of scale, but in understanding the mechanism: in wartime, political sanctions may rapidly establish a regime of international delegitimation and institutional distance that reinforces subsequent economic and other measures. The Yugoslav case is also useful as a reminder that the assessment of the effectiveness of political sanctions must consider not only the behaviour of the addressee, but also the functions of coalition consolidation, international signalling, and restriction of normalisation.

2.1.3.4 The Belarusian Case

The Belarusian case is likely the most relevant in institutional terms for the EU, since it reflects contemporary European practice of political sanctions towards a neighbouring authoritarian regime within the framework of the Common Foreign and Security Policy, including a combination of grounds (repression, human rights, undermining of democratic processes, and support for Russian aggression against Ukraine). Official Council of the EU materials directly indicate the multilayered nature of sanctions against Belarus, including earlier measures (e.g., in connection with disappearances of opposition figures and a journalist), subsequent measures related to elections, repression, and human rights, and sanctions linked to Belarus's involvement in Russian aggression against Ukraine. This makes the Belarusian case particularly useful for the present section as an example of how EU political sanctions may develop over time, layer by layer, and in combination with other categories of measures.

However, the limits of analogy are especially important here. Belarus differs substantially from the Russian Federation in the scale of its economy, international weight, military potential, degree of autonomy in foreign policy, and capacity to redistribute sanctions-related costs. In addition, in the Belarusian case a significant part of EU political sanctions simultaneously performs a signalling and normative-positioning function, while their direct coercive effect on the regime's domestic political trajectory has remained limited. This, however, does not mean that they are "useless": they play an important role in delegitimising repressive practices, maintaining international visibility of the issue, restricting political normalisation, and preserving coalition coherence. Consequently, the principal comparative lesson of the Belarusian case for the analysis of sanctions against the Russian Federation is that political sanctions may be a durable instrument of long-term pressure and delegitimation even where their immediate effect on changing regime behaviour is limited. For the Russian case, this lesson

is especially important in distinguishing the functions of political sanctions and avoiding reduction of their assessment solely to the criterion of rapid coercion.

2.1.3.5 Comparative Conclusion

Comparison with South Africa, Iran, Yugoslavia, and Belarus makes it possible to identify several methodologically important conclusions for the subsequent analysis of political sanctions against the Russian Federation.

First, political sanctions are almost never a self-sufficient instrument for rapid policy change in a major or resilient regime; their effectiveness more often manifests itself as part of a cumulative architecture of pressure (South Africa, Iran, Belarus) or as a component of broad international isolation under wartime conditions (Yugoslavia).

Secondly, political sanctions are especially important for delegitimation, coalition consolidation, and institutional structuring of subsequent measures—and it is precisely against these criteria that they often prove more effective than appears from a narrow perspective focused on “immediate coercion”.

Thirdly, the greater the addressee’s capacity for adaptation and the greater its geopolitical weight, the more important are not one-off sanctions acts, but the long-term durability of the regime, its recalibration, and the maintenance of international coordination (particularly relevant by analogy with Iran).

Fourthly, comparison with Belarus shows that, for the EU, political sanctions are not only an external instrument of pressure, but also an internal instrument of normative and institutional self-organisation of the sanctions’ coalition.

It is in this comparative-typological format that they will be used further in assessing the effectiveness of political sanctions against the Russian Federation in 2022–2025 and in forecasting the prospects of their operation in 2026–2030.

2.2. Review of Political Sanctions

2.2.1. Individual Restrictive Measures

2.2.1.1 Legal Instruments and Dates

The legal foundation of EU individual restrictive measures (listings) against the Russian Federation in the present block is built around two core acts adopted in 2014, which remain central to the 2022–2025 packages as well: Council Decision 2014/145/CFSP (17 March 2014) and Council Regulation (EU) No 269/2014 (17 March 2014), both concerning measures in respect of actions undermining or threatening the territorial integrity, sovereignty, and independence of Ukraine. This is confirmed both via EUR-Lex (as regards the titles and dates of the basic acts) and through current European Commission explanatory materials, where Regulation 269/2014 is identified as one of the key consolidated acts of the regime.

From the standpoint of legal construction, it is precisely this linked contour (CFSP Decision + directly applicable EU Regulation) that ensures the legal functioning of listings: in the political-legal dimension, CFSP decisions establish the sanctions framework, while the regulation (primarily 269/2014) ensures the binding nature of the asset-freeze regime and the prohibition on making funds/economic resources available within EU jurisdiction. The European Commission explicitly states that the relevant regulations are addressed to all persons and entities under EU jurisdiction and create legal obligations for them; at the same time, the Council of the EU, in its explanatory materials, sets out the standard content of individual measures: travel ban + asset freeze for natural persons and asset freeze for entities.

For the purposes of this subsection, it is important to note that, in the package logic of 2022–2025, individual listings are usually not formalised by a single “standalone” act, but by a combination of acts, primarily:

- Council Implementing Regulation (EU) (implementing / giving effect to Regulation 269/2014),
- Council Implementing Decision (CFSP) (implementing / giving effect to Decision 2014/145/CFSP),
- in a number of packages, also acts expanding the criteria for inclusion in the lists or refining the regime.

In other words, when analysing listings, it is necessary to take into account not only the package press release, but also the specific implementing acts published in the Official Journal (OJ), by which the annexes containing the lists of persons and entities are updated. This methodological clarification is critical for correct attribution of when exactly and by which act a particular listing was introduced.

In the chronology of 2022, package escalation in individual measures begins with the 1st package (23 February 2022), in which the Council of the EU expressly imposed targeted sanctions on 351 members of the State Duma of the Russian Federation and a further 27 individuals. The 2nd package (25 February 2022) then included the decision to freeze assets of Vladimir Putin and Sergey Lavrov, as well as additional individual measures against members of the Security Council of the Russian Federation and other State Duma members who supported recognition of the so-called “DPR/LPR”. Subsequently, the 4th package (15 March 2022) added a further 15 individuals and 9 entities, the 6th package (3 June 2022) added 65 individuals and 18 entities, and the 8th package (6 October 2022) added a further 30 individuals and 7 entities; during 2022, individual measures also accompanied other packages, including package decisions of a mixed character (economic + individual).

In 2023, the package line of individual listings continued and became institutionally more complex through the strengthening of anti-circumvention and informational-political components. According to the Council of the EU timeline, the 10th package (2023) included a new round of restrictive measures, the 11th package (23 June 2023) was expressly accompanied by additional sanctions against 71 individuals and 33 entities, and the 12th package (18 December 2023) included both economic and individual measures, with a separate indication of the listing of a further 61 individuals and 86 entities. For analytical work, this is important because it shows that individual listings ceased to be merely an “appendix” to sectoral measures and became an autonomous channel of targeted pressure, regularly scaled up from package to package.

In 2024, the trend towards institutionalisation of listings continued. In particular, the 15th package (16 December 2024), according to the Council of the EU timeline, included a further set of measures, including individual restrictions as part of the overall package. In addition, in 2024 the Council of the EU continued separate point-specific listing actions (for example, in relation to actors linked to particular sectors / financing channels and disinformation), which demonstrates an important feature of the regime: individual sanctions are introduced not only on a “package” basis, but also between packages, where the coalition considers this politically and legally appropriate. This means that, for precise reconstruction of the normative trajectory of section 2.2.1, it is necessary to take into account both numbered packages and standalone listing decisions / implementing acts adopted between them.

In 2025, individual listings remained highly intensive. The Council of the EU timeline records that the 16th package (24 February 2025) was accompanied by a separate communication on the listing of an additional 48 individuals and 35 entities; the 17th package (20 May 2025) included individual measures within a broader set of sanctions regimes; the 18th package (18 July 2025) was likewise characterised by the Council as a package of “economic and individual measures”; and the 19th package (23 October 2025), according to the Council press release, included a new round of individual listings alongside expanded economic restrictions and additional measures affecting, inter alia, diplomatic presence and other channels of influence. This confirms that, by the end of 2025, individual measures remained one of the cores and continuously reproduced instruments of the EU sanctions architecture against the Russian Federation.

From a methodological perspective, in this analytical document it is advisable to distinguish three levels of normative fixation for the listings block:

- 1) the basic regime (Decision 2014/145/CFSP + Regulation 269/2014);
- 2) the package political-legal level (Council press releases / package decisions, where the political framework and overall composition of measures are set out);
- 3) the operational implementation level (implementing regulations / decisions in the OJ, by which the annexes containing the lists of persons and entities are directly updated).

It is precisely this three-level scheme that makes it possible to avoid the common error of conflating the date of the political announcement of a package with the date of legal entry into force of a specific listing under the relevant implementing act.

For the subsequent 2.2.1.2–2.2.1.6, this has practical significance: analysis of the objectives, advantages, and limitations of individual measures should be based not only on the general title of the “package”, but also on the legal nature of the specific listing action (criteria-based designation, additional listings, amendments to annexes, annual reviews / renewals where applicable). Accordingly, in the working evidence table for this section, it is recommended to record at least the following fields: date, package number (where applicable), type of act (Decision / Implementing Decision / Regulation / Implementing Regulation), full title of the act, OJ reference, category of listed person/entity, and stated ground for listing. Such a structure will ensure a correct link between the normative part of the section and the subsequent critical analysis of the effectiveness of individual sanctions.

2.2.1.2 Objectives and Political Logic

The objectives of individual restrictive measures (listings) against the Russian Federation in the sanctions practice of the EU and its partners are multilayered and cannot be reduced to the simple formula of “punishing specific persons”. From an analytical perspective, listings constitute an instrument of targeted political-legal pressure that simultaneously performs the functions of personalising responsibility, delegitimising actors supporting the war and repressive policy, restricting their international mobility and access to assets, and signalling the criteria of unacceptable conduct. For this reason, individual measures occupy a special place in the sanctions’ architecture: they are the most visible form of targeted pressure and often serve as the first, rapidly scalable level of response within package escalation. For the purposes of the present document, it is essential to proceed on the basis that the political logic of listings is expressed not only through their direct effect on a specific person or entity, but also through a broader regime effect—namely, changing the behaviour of surrounding actors, intermediaries, institutions, and international counterparties. Consequently, assessment of the objectives of listings should be conducted within a multidimensional framework combining coercion, deterrence, delegitimation, institutional constraint, and coalition signalling. Such an approach helps to avoid methodological simplification whereby listings are treated either as a purely symbolic gesture or as an instrument that must immediately alter the strategic decisions of the state. In reality, their political logic is considerably more complex and consists in creating targeted, cumulative, and institutionally reproducible pressure on the nodes of decision-making and regime support. It is in this capacity that individual measures become one of the basic political instruments of sanctions policy against the Russian Federation in 2022–2025.

The first key objective of listings is the personalisation of political and institutional responsibility. Unlike broad sectoral measures, which affect functional contours of the economy and the state apparatus, individual sanctions directly identify specific categories of persons and entities as actors associated with the support, implementation, legitimation, or material provision of policies qualified by the sanctions coalition as unacceptable. In relation to the Russian Federation, this is of particular importance, since EU sanctions policy seeks to demonstrate that the international response is directed not only at the state in the abstract, but also at concrete decision-making centres, political beneficiaries, propagandistic and administrative structures, and affiliated entities. This logic strengthens the normative clarity of the sanctions regime by translating political assessment from general

condemnation into targeted qualification of participation. For analysis, this is fundamental, because it is through personalisation of responsibility that the sanctions regime acquires greater political legitimacy within the coalition and clearer communication externally. Consequently, one of the central objectives of listings is not only to create restrictions for a particular listed party, but also to institutionalise that party's status as a participant in sanctions-relevant conduct. This, in turn, affects reputational risks, the behaviour of counterparties, and the possibilities for public diplomatic normalisation. In this way, listings perform a function of politico-legal marking of actors, which is an important element of the overall pressure architecture.

The second objective is the restriction of international manoeuvrability and operational capabilities of listed persons and entities. At the formal level, this is expressed through the standard set of measures (asset freeze, prohibition on making funds/economic resources available, and, for natural persons, entry restrictions), but the political logic here is broader than the sum of legal prohibitions. Inclusion in a sanctions list changes the access regime of the listed party to international channels of interaction: financial, commercial, diplomatic, logistical, and reputational. Even in cases where the direct volume of assets within EU jurisdiction is limited or has been pre-emptively reallocated, the very fact of listing significantly increases compliance risks for banks, service providers, intermediaries, and partners in third countries. For the sanctions' regime against the Russian Federation, this is especially important because some politically and economically significant figures may use complex networks of affiliation, nominee ownership, and cross-border intermediation. Consequently, the objective of listings is not only the immediate "freezing of what is found", but also the creation of a durable regime of impediment to the international activity of listed parties. In analytical terms, this makes it possible to treat listings as an instrument of institutional narrowing of the space for action, rather than merely as a form of targeted punishment. This logic is further reinforced in later packages, where individual measures increasingly interact with anti-circumvention architecture and the broader compliance contour of sanctions. In this way, the political objective of listings becomes closely linked to their enforcement and behavioural function.

The third objective is the delegitimation of elite, administrative, propagandistic, and quasi-institutional support structures of Russian policy. In the political sphere, this is one of the most significant functions of listings, because they enable the sanctions coalition not only to restrict specific persons, but also publicly to delineate the circle of actors whose participation is considered sanctions-relevant. In the case of the Russian Federation, this extends not only to formally state officials, but also to representatives of para-state business, the media sphere, military-industrial and administrative structures, and organisations through which political mobilisation, information support, and institutional resilience of the regime are maintained. For analysis, this matters because in such circumstances listings function not merely as an instrument of individual pressure, but as a structurally delegitimising signal addressed to broader elite and institutional networks. Consequently, one of the objectives of individual sanctions is to increase the political cost of loyalty, participation, and facilitation. Even where this does not lead to immediate withdrawal from participation, it increases the risks of international isolation, complicates cross-border activities, and changes the long-term calculations of some actors. In this sense, the political logic of listings is closely connected with the concept of "selective pressure on the supporting infrastructure of the regime". Such an approach allows their effectiveness to be assessed more precisely: not only by changes in the behaviour of a particular listed party, but also by changes in the operating conditions of the broader support network. In this way, listings become an important mechanism of political fragmentation and reputational cost inflation for participation in sanctions-relevant structures.

The fourth objective is coalition signalling and the reproduction of a unified political line of the EU and its partners. Individual listings have high political "visibility": unlike many complex technical restrictions, they are easily communicated publicly, quickly interpreted as concrete action, and allow the coalition to demonstrate the consistency and expandability of the pressure regime. In this respect, their political logic includes the function of confirming coalition resolve: each new expansion of the list demonstrates

that the sanctions regime is not a one-off reaction, but is maintained and updated in response to continuing unacceptable conduct. For the EU, this also has internal significance—listings enable Member States to sustain the common political narrative of sanctions policy even during periods of difficult negotiations over more costly sectoral measures. Consequently, individual measures perform not only an external but also an internal politico-coalitional function. In analytical terms, this is especially important for assessing effectiveness, since by the criterion of direct coercion listings may produce limited effect, while by the criterion of coalition consolidation and signalling they may produce a high effect. Moreover, the public logic of listings influences the behaviour of third countries and private actors by transmitting a list of categories of activity and affiliation that increase sanctions risk. In this way, listings act as an instrument for standardising perceptions of sanctions-unacceptable conduct in the international environment. This makes them a politically significant element not only of pressure, but also of sanctions governance.

The fifth objective is the creation of a targeted instrument of escalation while preserving the politico-legal manageability of the sanctions' regime. Unlike certain broad sectoral measures, individual listings make it possible to intensify pressure comparatively quickly without immediately triggering the largest collateral effects for EU Member States and their economies. For this reason, in the package dynamics of sanctions against the Russian Federation, listings often serve as one of the most operational channels for expanding the regime: the coalition can add new categories of listed parties in response to developments in the conflict, the organisation of referenda / annexation practices, repressive actions, hybrid activity, circumvention schemes, and other grounds. This political logic makes listings an instrument of flexible calibration of pressure. For the analytical document, this is important because it helps to explain why quantitative growth of the lists is maintained even in periods when agreement on new large-scale sectoral restrictions is difficult. Consequently, one of the objectives of listings is to sustain the dynamism of the sanctions regime and to demonstrate its adaptability. At the same time, manageability is achieved through listing criteria, legal procedure, evidentiary basis, and the possibility of subsequent adjustment of the lists. As a result, individual measures perform the role of an "operationally political-legal interface" between the strategy of sanctions pressure and current events. In this way, their significance extends far beyond the symbolic level and becomes structural for the entire package architecture.

The sixth objective is support for the broader compliance and anti-circumvention contour of the sanctions' regime. Although individual listings are traditionally perceived as political and personal measures, in contemporary EU sanctions practice they are increasingly embedded in the logic of preventing circumvention, mapping networks of affiliation, and restricting intermediary infrastructure. In relation to the Russian Federation, this is especially visible as sanctions packages evolve: the listing of specific persons, companies, intermediaries, and structures may be aimed not only at their role, but also at disrupting chains of supply, financing, logistics, and service provision. In political terms, such practice reflects a shift from a narrow understanding of listing as "punishment for status" towards a more functional understanding of listing as an instrument for destabilising support networks. Consequently, the political logic of individual sanctions also includes an element of network impact. For analysis, this means that the objectives of listings must be assessed not only by the personal profile of the listed party (office, visibility, symbolic weight), but also by its position within the infrastructure of facilitation, circumvention, or reproduction of sanctions-relevant activity. Such an approach is particularly important for later packages, where the effectiveness of the regime increasingly depends on the quality of anti-circumvention calibration. In this way, individual measures become part of broader sanctions engineering while retaining political visibility and targeted character. This strengthens their value as a hybrid instrument at the intersection of political pressure and enforcement strategy.

The seventh objective is the formation of a long-term regime of political memory and institutional archiving of responsibility. Inclusion in sanctions lists performs not only a current restrictive function, but also a function of fixing, in official EU acts, certain links, roles, and forms of participation in sanctions-relevant activity. For the political logic of the sanctions' regime, this is important because it

creates an institutional trace that affects subsequent decisions on renewal, expansion, or lifting of sanctions, as well as the broader international framework for interaction with listed parties. In relation to the Russian Federation, this function is particularly significant in the context of a prolonged conflict, where the sanctions regime develops package by package and requires the accumulation of a documented logic of listings. Consequently, one of the objectives of listings is not only immediate impact, but also institutionalisation of sanctions assessment over time. For critical analysis, this is an important aspect because it shows that the effectiveness of listings is not always exhausted within the short-term period of their introduction. They also form a basis for future recalibration of the regime, negotiation conditions, mechanisms of conditional easing or, conversely, further tightening. In this way, individual measures become part of long-term sanctions governance rather than merely a reactive response to events. This is especially important to take into account when assessing prospects of effectiveness in 2026–2027, where significance attaches not only to the number of new listings, but also to the quality of the already accumulated listing architecture.

Finally, within the applied framework of the present document, the objectives and political logic of individual restrictive measures (listings) against the Russian Federation may be summarised as a combination of five interrelated functions: (1) personalisation of responsibility, (2) restriction of international manoeuvrability, (3) delegitimation of supporting structures, (4) coalition signalling, and (5) flexible calibration and maintenance of sanctions-regime dynamism. In addition, as packages evolve, their role in anti-circumvention and network-based sanctions pressure is strengthened. This understanding makes it possible in the subsequent subsections neither to overestimate listings as an instrument of immediate coercion nor to underestimate their political and institutional effectiveness. Consequently, further analysis of the advantages, limitations, and prospects of effectiveness of listings should be based on a multi-criteria approach distinguishing symbolic-political, enforcement, network, and coalition-governance effects. It is precisely this framework that is the most appropriate for assessing the actual role of individual sanctions in the broader political component of the sanctions' regime against the Russian Federation in 2022–2025.

2.2.1.3. Advantages

One of the key advantages of individual restrictive measures (listings) is their high degree of political targeting. Unlike broad sectoral sanctions, which inevitably affect large volumes of economic relations and may generate significant side effects for third parties, listings make it possible to focus pressure on specific persons, organisations, and networks regarded as participants in, beneficiaries of, or operators of sanctions-relevant policy. For the EU and its partners, this is particularly important in political and legal terms, because such an approach helps to uphold the principle of proportionality and to substantiate more clearly the link between the sanction and the ground for its imposition. In relation to the Russian Federation, this advantage is reinforced by the fact that the sanctions regime is directed not only against the state apparatus in the abstract, but also against specific contours of decision-making, resource mobilisation, political legitimation, and support for the war. Consequently, listings provide a more precise configuration of pressure than measures of a general character. In analytical terms, this increases the manageability of the sanctions regime and facilitates subsequent assessment of the logic of designations. In addition, the targeted character of listings reduces political costs for the coalition when explaining sanctions policy to domestic audiences and international partners. In this way, listings function as an important instrument for combining firmness with selectivity in sanctions pressure.

A second substantial advantage of listings is their operational speed and flexibility within the package dynamics of sanctions. In EU practice, individual measures are often one of the fastest channels for scaling up pressure, because adding new persons and entities to lists can be done without the need each time to redesign complex sectoral regimes from the ground up. This does not imply simplicity in legal terms—listings require legal procedure, an evidentiary basis, and institutional coordination—but compared with multilayered trade, financial, or technological restrictions they often make it possible to respond more quickly to new events, actions, or circumvention schemes. For the Russian case, this advantage is of particular importance given the high dynamics of the conflict, the emergence of new

actors, and the need regularly to demonstrate the adaptability of the sanctions' architecture. Consequently, listings perform the function of an "operational contour" of sanctions policy. They enable the coalition to maintain pressure in periods when agreement on more far-reaching measures is difficult, while simultaneously signalling the continuation of political resolve to tighten the regime. In analytical terms, this makes listings an important element of the resilience of sanctions strategy over time. Thus, their advantage lies not only in the substance of the measure, but also in their ability to sustain the rhythm of sanctions governance.

A third advantage is the high public-communication effectiveness of individual sanctions. Listings are readily communicable in political and media terms: they are intelligible to broad audiences, personalise the international response, and make the sanctions regime visually and substantively more "tangible". Unlike many technically complex export or financial measures, which require specialised explanation, the listing of specific persons and entities is quickly understood as a clear act of political qualification and restriction. For the EU and its partners, this matters not only externally but also internally, because it supports the durability of the public narrative of consistency in sanctions policy. In relation to the Russian Federation, this advantage is reinforced by the fact that listings make it possible to demonstrate the targeted nature of the international response vis-à-vis political, administrative, propagandistic, and organisational support structures of the regime. Consequently, listings operate as an instrument not only of pressure but also of political signalling. In analytical terms, this means that their effectiveness should be considered not only in terms of direct restrictions on listed parties, but also in terms of influence on international perceptions, coalition consolidation, and standardisation of sanctions-relevant categories of conduct. In this way, the communicative "visibility" of listings becomes an autonomous advantage rather than merely a secondary effect.

A fourth advantage is the comparatively high compatibility of listings with the logic of coalition sanctions governance. In a multilateral regime, where the EU acts in conjunction with partners (including G7 countries and other states), it is important to have instruments that can be aligned, synchronised, or mutually reinforced even where national legal systems and institutional procedures differ. In this respect, individual sanctions display significant adaptability: listing criteria and legal form may vary, but the model of a targeted list itself transfers well across jurisdictions and supports the effect of cross-jurisdictional pressure. For sanctions policy against the Russian Federation, this is especially significant because the effectiveness of many restrictions depends on the extent to which it is difficult for the listed party to reallocate activities, assets, and channels of interaction across different legal spaces. Consequently, listings strengthen the coalition effect even in the absence of full harmonisation of regimes. In analytical terms, this advantage is reflected in the fact that individual measures contribute to the formation of a common sanctions' ecosystem in which reputational and compliance effects extend beyond the formal boundaries of a particular EU act. In this way, listings become an important element of international coordination of sanctions pressure and increase the aggregate density of restrictions.

A fifth advantage is the combination of political function with enforcement and compliance functions. Individual listings simultaneously serve as a public political signal and as a legally significant trigger for banks, financial intermediaries, insurers, service companies, logistics operators, and other compliance actors. This makes them especially valuable in contemporary sanctions architecture, where a substantial share of actual effect is generated not only by state enforcement in the narrow sense, but also by the preventive behaviour of private actors seeking to reduce the risk of breaching the regime. For the Russian case, this advantage is critical because part of sanctions-relevant activity is conducted through complex cross-border chains and intermediary structures. Consequently, the listing of a specific person or entity may trigger a broader de-risking effect than is directly prescribed by the text of the underlying measure. In analytical terms, this means that the effectiveness of listings cannot be assessed solely by the volume of assets formally frozen; their capacity to reshape the behaviour of private market participants must also be taken into account. In this way, individual measures act as a

“bridge” between political decision and mass compliance implementation practice. This substantially increases their practical value within the sanctions, regime against the Russian Federation.

A sixth advantage is the possibility of selective pressure on the supporting infrastructure of the regime, and not only on its public political centre. In sanctions practice against the Russian Federation, this is particularly important because regime resilience is sustained not by a single level of state administration, but by a complex system of links between political structures, the administrative apparatus, financial-business groups, the media sphere, logistics intermediaries, and other facilitation contours. Listings make it possible to act upon these contours in a differentiated manner, generating pressure not only on “symbolically significant” figures but also on functionally important elements of the infrastructure. This advantage increases further as the sanctions’ regime moves towards an anti-circumvention logic, where what matters is not only the status of the listed party but also its position within networks providing supply, financing, service support, or informational influence. Consequently, listings provide the sanctions coalition with an instrument for targeted disruption or cost inflation of particular nodes of the supporting system. In analytical terms, this strengthens their significance as an element of sanctions engineering rather than merely political demonstration. In this way, individual sanctions can be embedded in a more complex strategy of network-based restriction while retaining high political readability. This makes them especially useful at stages where broad prohibitions are already in place and more fine-grained calibration of the regime is required.

A seventh advantage is the possibility of step-by-step recalibration and adjustment. Unlike many structural sanctions’ decisions, revision of which may require a prolonged political process and substantial negotiation costs, the listings regime by its nature is better suited to regular updating: adding new listed parties, refining identifying data, adjusting grounds, and reviewing the status of particular persons / entities within legal procedure. For the EU, this is important from the perspective of institutional resilience and legal due process, because it makes it possible both to maintain the dynamism of pressure and to preserve a formalised review order. In relation to the Russian Federation, this advantage means that listings may serve as an instrument of continuous adaptation of the sanctions regime to changing patterns of affiliation, circumvention, and redistribution of functions among actors. Consequently, they are better suited to the logic of a prolonged conflict than exclusively static measures. In analytical terms, this advantage is linked to the fact that recalibratability increases the overall survivability of the sanctions architecture and reduces the risk of its rapid “obsolescence” in response to the addressee’s institutional adaptation. In this way, listings function as a mechanism for maintaining the contemporaneity of sanctions pressure over an extended period. This is particularly significant when forecasting effectiveness in 2026–2027.

An eighth advantage is the relatively low political threshold for expanding the regime compared with the costliest sectoral measures. This does not refer to legal simplicity, but to politico-governance configuration: adding new persons and entities to lists more often permits a finer gradation of pressure than measures capable of immediately affecting major trade flows, energy balances, or sensitive segments of the economies of EU Member States themselves. As a result, listings become an important instrument for preserving sanctions dynamism even under conditions of differing sensitivities among Member States to sectoral escalation. For the Russian case, this has strategic significance, since the duration of the sanctions’ regime requires maintenance of coalition operability and regular reproduction of pressure. Consequently, listings help to reduce the risk of political pauses in sanctions policy. In analytical terms, this advantage appears as a supporting mechanism of coalition manageability: even amid difficult negotiations on major measures, the sanctions regime remains “moving” and politically active. In this way, individual measures strengthen the resilience of the sanctions architecture as a whole by serving as a channel of calibrated but constant tightening.

Finally, within the applied framework of the present document, the advantages of individual restrictive measures (listings) against the Russian Federation may be summarised as a combination of the following strengths: (1) targeted character, (2) operational responsiveness, (3) public and signalling effectiveness, (4) coalition compatibility, (5) high compliance convertibility, (6) network impact on

support infrastructure, (7) recalibratability, and (8) maintenance of sanctions-regime dynamism under constraints on sectoral escalation.

2.2.1.4 Limitations and Implementation Problems

Notwithstanding the significant advantages of individual restrictive measures (listings), their practical effectiveness in relation to the Russian Federation is substantially constrained by a range of structural, legal, institutional, and behavioural factors. For an analytically sound assessment, it is important to avoid two extremes: on the one hand, treating listings as a “purely symbolic” measure without practical effect; on the other, expecting targeted sanctions in themselves to be capable of rapidly changing the strategic behaviour of the state and its key politico-administrative structures. In reality, listings are an instrument whose effectiveness depends to a high degree on the quality of the evidentiary basis, the breadth of coalition synchronisation, the maturity of compliance infrastructure, the capacity to trace networks of affiliation, and the resilience of the regime against circumvention. In the Russian case, this is particularly important given the scale of the state, the duration of the conflict, the presence of developed adaptation mechanisms, and the use of external intermediary channels. Consequently, the limitations of listings should be analysed not as isolated “failures”, but as systemic parameters of their application in relation to a large and institutionally adaptive addressee. Such an approach preserves analytical balance: it recognises the value of listings within the sanctions architecture while also identifying the limits of their autonomous coercive potential. It is within this framework that the key implementation problems of individual sanctions against the Russian Federation in 2022–2025 are considered below.

The first fundamental limitation concerns the limited direct coercive effect of listings in relation to strategic state decisions. Individual sanctions may significantly complicate the international activity of specific persons and entities and increase reputational and transactional costs, but they do not guarantee automatic transmission of these costs into changes in state policy. In conditions of a centralised political system, high concentration of power, and prioritisation of political-security objectives over economic rationality, personal restrictions often do not lead to immediate policy revision. This is particularly characteristic of the Russian case, because a substantial proportion of listed parties are embedded in a regime system in which loyalty, access to internal resources, and political protection may partially compensate for external constraints. Consequently, an expectation of rapid political effect from expansion of the lists is, in itself, methodologically overstated. In analytical terms, this means that the effectiveness of listings should be assessed primarily through intermediate effects—delegitimation, restriction of manoeuvrability, complication of international operations, coalition signalling—rather than solely through the criterion of immediate changes in decisions of the Russian leadership. Otherwise, there is a risk of a false conclusion of “ineffectiveness” arising from an incorrectly chosen indicator. Thus, the first implementation problem of listings lies not only in the measure itself, but also in politically inflated expectations of its function.

The second limitation is the high dependence of actual effect on the quality of identification of assets, beneficial ownership, and cross-border linkages. Formally, listing a person or entity triggers legally significant prohibitions and obligations; however, the practical scale of impact depends on how effectively sanctioning and compliance actors are able to identify assets, affiliated structures, nominee holders, trust arrangements, and intermediary schemes. In relation to the Russian Federation, this problem is particularly acute, since some sanctions-relevant persons and entities may employ complex mechanisms of ownership reallocation, jurisdictional dispersion, and concealed affiliation. As a result, there may be a substantial gap between the legal act of listing and the real restriction of access to resources. Consequently, one of the key practical limits of listings is their dependence on financial transparency, data-sharing, and investigative/compliance expertise. In analytical terms, this means that an effectiveness assessment based on formal parameters alone (such as the number of additions to the list) without regard to the depth of actual blocking of assets and channels of interaction will be incomplete. Moreover, quantitative growth of listings may create an illusion of increased pressure that

is not always proportionate to the real operational effect. Thus, the implementation problem lies in the fact that legal targeting does not automatically convert into full economic-operational effectiveness.

The third limitation concerns the adaptation of listed parties and support networks to the sanctions' regime. As the sanctions' architecture develops, the Russian Federation and associated actors acquire incentives for institutional learning: relocation of assets, restructuring of ownership schemes, use of nominee entities, redistribution of functions among linked persons and organisations, and transition to new intermediaries and jurisdictions. This does not mean that listings lose their relevance. However, it does mean that their effect becomes more dependent on the speed of updating the lists, the precision of listing criteria, and the quality of anti-circumvention linkage with other measures. For analysis, this aspect is fundamental because it shows that, in a prolonged conflict, listings are not a one-off action but a process of continuous, partly catch-up and partly anticipatory sanctions governance. Consequently, one of the key implementation problems becomes the pace of reaction of the sanctions coalition as compared with the pace of adaptation by the addressee and intermediary infrastructure. If regime updates lag, some persons and networks will have time to redistribute risks and reduce the practical effect of listing. In this sense, listings are particularly vulnerable where they face organised, well-resourced, and transnationally flexible adaptation. Thus, the implementation problem is dynamic rather than merely static: what matters is not simply the existence of the measure, but the capacity to maintain its relevance under conditions of constant evolution of circumvention schemes.

The fourth limitation is incomplete international synchronisation of sanctions regimes and the existence of jurisdictional "windows". Even where coordination between the EU and partners is high, some states do not join sanctions, join only partially, or implement regimes that differ in depth and procedure. For listings, this is especially consequential because their practical effect depends on the breadth of the space within which access to financial and operational channels is constrained for the listed party. Where significant jurisdictions remain in which a person or affiliated structure may continue operations with limited sanctions risk, the overall effect of targeted pressure is reduced. In relation to the Russian Federation, this limitation is reinforced by the scale of its external economic and political ties and by its ability to redirect part of its activity into alternative channels. Consequently, one of the systemic implementation problems of listings is that they are most effective under conditions of broad cross-jurisdictional reproducibility, but lose substantial density of effect when the international sanctions field is fragmented. In analytical terms, this means that the effectiveness of listings cannot be assessed solely within the normative perimeter of the EU; the actual geography of available substitutes for listed parties must also be taken into account. Thus, the limitations of listings are closely linked to the limits of international coalition universalisation of the sanctions' regime.

The fifth limitation is legal vulnerability and the need to maintain a high standard of evidence and procedural propriety. In EU sanctions practice, individual measures must be not only politically expedient but also legally substantiated, since they affect the rights of specific persons and organisations and may be challenged in court. On the one hand, this is a strength of the European legal order; on the other, it creates a practical constraint on the speed and depth of listings, especially in complex cases of affiliation, indirect participation, or rapidly changing roles of listed parties. For the Russian case, this is of particular significance because of the scale of the sanctions' corpus and the need regularly to update listing grounds, factual statements, and legal argumentation. Consequently, part of the implementation problems of listings are connected not with "political weakness", but with the EU's institutional obligation to ensure legal robustness of measures. In analytical terms, this matters because the politically desirable speed of expansion of the lists may at times conflict with the requirements of evidentiary quality. This tension may slow updating of listings or increase the risk of partial legal vulnerabilities. Thus, legal due process simultaneously enhances the legitimacy of the regime and constrains its operational speed, which must be taken into account in critical assessment of effectiveness.

The sixth limitation is the gap between the political visibility of listings and the depth of their actual impact. Individual sanctions often have high media and political salience, which makes them a

convenient instrument for public demonstration of sanctions activity. Yet this very “visibility” may generate an analytical and political illusion that expansion of the list automatically means a proportionate increase in pressure on the regime as a whole. In reality, effect varies substantially depending on the role of the listed party, the structure of its external assets, the degree of international dependence, and its capacity to use substitute channels. For the analysis of sanctions against the Russian Federation, this is particularly important because, in public discourse, symbolically significant listings and functionally critical listings are often conflated, although their practical contribution to constraining the support infrastructure may differ. Consequently, one of the implementation problems is the risk of shifting emphasis towards politically resonant designations at the expense of systematic work on less visible but operationally important nodes of circumvention and facilitation networks. In analytical terms, this requires distinguishing the communicative effect of a measure from its infrastructural effect. Thus, listings may be politically successful as a signal while only limitedly effective as an instrument of operational weakening—and vice versa. Such heterogeneity must be built into the criteria for assessing this sanctions block.

The seventh limitation is the difficulty of assessing causal effect (the attribution problem). In relation to the Russian Federation, individual listings operate simultaneously with broad economic, financial, technological, transport, legal, and informational measures, and against the background of military, political, and macroeconomic processes. Under such conditions, it is extremely difficult to isolate which specific outcome was caused by a given listing or series of listings, and which was caused by the cumulative effect of other sanctions, Russia’s internal policy, market conditions, or the actions of third states. Consequently, analysis of the effectiveness of listings inevitably encounters an attribution problem. For the methodology of the present document, this is of fundamental importance: assessment should not rely on simplified linear linkages of the type “listed—change occurred”. A more complex approach is required, taking into account the probabilistic and cumulative nature of impact. In analytical terms, this means that intermediate indicators are especially significant for the listings block (growth of compliance risks, complication of interaction channels, changes in intermediary structures, reputational constraints), rather than only final political outcomes. Thus, the implementation problem also consists in the limited measurability of direct effect, which complicates both policy assessment and public communication of sanctions effectiveness.

The eighth limitation is the risk of institutional “list inflation” and reduced analytical focus. As the sanctions regime expands over time, the number of listings increases, and this may in itself be justified by the development of the conflict and the emergence of new grounds. However, in the absence of sufficient prioritisation, there is a risk that the sanctions list begins to perform too many functions simultaneously—political signalling, punishment, anti-circumvention tool, media demonstration, response to current events—which makes strategic and analytical hierarchisation of objectives more difficult. For the Russian case, this risk is particularly relevant given the duration of package escalation and the composite nature of sanctions grounds (war, repression, disinformation, circumvention, support networks, etc.). Consequently, one of the implementation problems is maintaining the quality of sanctions design within a growing corpus of listings. In analytical terms, this is expressed in the need to distinguish listings by functional profile and expected mechanism of effect, rather than treating the whole corpus as homogeneous. Otherwise, the precision of both critique and recommendations for strengthening the regime is reduced. Thus, quantitative expansion of the lists, while a sign of sanctions activity, simultaneously creates a risk of dilution of strategic focus if not accompanied by qualitative typologisation and periodic review of listing logic.

The ninth limitation is the limited capacity of listings to affect deep socio-political mechanisms within the Russian Federation without support from other instruments. Individual measures may increase the cost of participation for elites and infrastructural actors, but in themselves they rarely alter the basic parameters of domestic political mobilisation, information control, rent redistribution, and administrative coercion on which regime resilience may depend. This is particularly important for the present document, because part of the expected political effects of sanctions in public debate is often

implicitly linked to assumptions of domestic political transformation. Consequently, analysis of listings must recognise the limits of their autonomous impact on the internal political dynamics of a large authoritarian state. In analytical terms, this does not reduce their significance as an element of foreign-policy pressure, but it does require realistic task-setting: listings are more effective as an instrument of delegitimation, restriction of manoeuvrability, fragmentation of external support contours, and increase of transactional costs than as a standalone mechanism of political transformation. Thus, the implementation problem also lies in incorrect extrapolation of the capacities of the measure to objectives for which it is not designed in isolation from other policy instruments.

Finally, within the applied framework of the present document, the limitations and implementation problems of individual restrictive measures (listings) against the Russian Federation may be summarised as follows: (1) limited direct coercive effect, (2) dependence on the quality of identification of assets and networks, (3) adaptation of listed parties and intermediaries, (4) incomplete international synchronisation, (5) legal and evidentiary constraints, (6) gap between political visibility and operational effect, (7) attribution problem, (8) risk of list inflation, and (9) limited autonomous impact on internal political dynamics.

2.2.1.5 Prospects of Effectiveness (2026–2027)

The prospects for the effectiveness of individual restrictive measures (listings) against the Russian Federation in 2026–2027 should be assessed in the logic of conditional effectiveness, rather than in the logic of guaranteed political effect. By the beginning of 2026, the EU sanctions architecture against the Russian Federation had already acquired a high degree of density and institutional maturity, while listings had become a continuously reproduced instrument of package escalation, including the 19th package (23 October 2025), which added new individual designations alongside economic and anti-circumvention measures. In such a configuration, the key question for 2026–2027 is no longer so much the quantitative expansion of lists as the quality of listing design, its network precision, legal robustness, and integration with the anti-circumvention contour. Consequently, the prospects of this instrument will be determined by the ability of the EU and its partners to move from predominantly reactive expansion of lists to a more analytically calibrated model of targeting. For the purposes of the present document, this means that the forecast of effectiveness should be constructed across several criteria: political-signalling, operational-restrictive, coalition-governance, compliance, and anti-circumvention. Such an approach avoids overstated expectations of listings as an autonomous coercive mechanism while also avoiding underestimation of their importance within the broader sanctions' architecture.

The first basic conclusion is that, in 2026–2027, the political-signalling and coalition-consolidating effectiveness of listings is likely to remain high, even if their direct influence on strategic decisions of the Russian leadership remains limited. Individual sanctions continue to be one of the most “visible” and manageable instruments of sanctions policy: they make it possible to demonstrate continuity of pressure, personalise responsibility, and sustain the public-communication contour of the sanctions regime. In circumstances where agreement on major sectoral measures may be complicated by divergent interests within the EU, listings retain significance as a channel for regular updating of the sanctions' agenda. At the same time, by 2026 there are already signs of possible political friction concerning further packages, which indicates the importance of intra-EU coordination as a factor of resilience for continued listing dynamics. Consequently, even where listings remain a functioning instrument, their effectiveness in the coalition dimension will depend on the EU's ability to maintain procedural and political coherence. In analytical terms, this means that the key strength of listings (operational responsiveness) in 2026–2027 will increasingly be constrained by the political throughput capacity of the coalition. Nevertheless, precisely in terms of signalling, reproduction of the sanctions' narrative, and institutional maintenance of pressure, the prospects of this instrument remain strong.

The second conclusion is that the operational-restrictive effectiveness of listings in 2026–2027 will grow not from the number of new designations, but from the depth of network targeting. After multiple waves of listing high-profile political figures, officials, and visible organisations, the marginal return from new

“symbolic” listings declines. In this situation, priority shifts to targeting functionally significant nodes: (1) intermediaries, (2) service structures, (3) logistics operators, (4) suppliers of dual-use components, (5) financial-transactional contours, and (6) persons and companies facilitating circumvention and redistribution of sanctions risks. Consequently, if this trajectory is maintained, the prospects for effectiveness of listings in 2026–2027 will depend on the quality of data fusion between the political sanctions track and the compliance/investigative track. For the document, this means that the forecast for listings should be linked to the development of evidentiary infrastructure, inter-agency coordination, and data-sharing, and not only to political decisions to expand lists. In other words, future effectiveness will be determined by the extent to which listings are transformed into an instrument of network disruption, rather than merely personal restriction.

The third conclusion concerns integration of listings with the anti-circumvention architecture, which is likely to become the principal enhancer of their effectiveness in 2026–2027. As EU packages have evolved, individual and entity-based measures have increasingly been linked to the task of preventing sanctions circumvention through third countries, nominee structures, and intermediary chains. In forecast terms, this means that listings will be most effective where they are used not in isolation, but as part of integrated sanctions engineering: together with export controls, financial restrictions, transport-logistics measures, services controls, and secondary compliance consequences for private actors. Consequently, in 2026–2027 the expected effectiveness of listings is higher in segments connected with breaches/circumvention of already existing regimes than in segments where a direct political breakthrough is expected from them. This is a fundamentally important correction for the criteria of assessment: the effectiveness of a listing should increasingly be measured not only by the fate of the listed party, but also by the degree to which it disrupts that party’s (or its network’s) ability to maintain transactions, supplies, and operational linkages.

The fourth conclusion is that the prospects of effectiveness of listings will depend substantially on the quality of legal preparation and evidentiary robustness of new designations. As the number and complexity of sanctions cases increase, the burden on legal reasoning, statement of listing grounds, identification of connections, and updating of factual bases also increases. If, in 2026–2027, the EU expands lists primarily in an accelerated mode without sufficient evidentiary detail, this may increase risks of legal vulnerability and reduce the durability of some measures. By contrast, improvement of evidentiary standards, more precise formulation of listing grounds, and regular review of older entries may strengthen not only legal robustness but also operational effect (through better applicability in the compliance environment). Consequently, one of the key conditions for the effectiveness of listings in 2026–2027 is a shift from extensive growth towards qualitative maintenance of the sanctions’ corpus. In analytical terms, this means that an important indicator of future effectiveness will be not only the number of new listed parties, but also the quality of their legal profiling. For the present document, this is especially important because critical assessment must treat the European legal framework not as a sign of weakness, but as a factor of long-term institutional resilience of the sanctions’ regime.

The fifth conclusion is linked to the coalition-geographical factor: the effectiveness of listings in 2026–2027 will depend directly on the degree of cross-jurisdictional reproducibility of sanctions consequences. Even a well-prepared listing has limited effect if the listed party retains access to significant alternative jurisdictions, payment channels, corporate shells, and service providers with low sanctions sensitivity. In this context, the prospects of the instrument are determined not only by EU action, but also by synchronisation with partners and by the EU’s ability to influence the behaviour of third-country intermediaries through a combination of listings, export controls, and financial compliance. Consequently, in 2026–2027 an increase in the effectiveness of listings is most likely where this external perimeter is expanded—not necessarily through formal universalisation of sanctions, but through increasing the cost of cooperation with already listed persons and entities. For analysis, this means that forecasts regarding listings should include the factor of the EU’s “external compliance gravity”, rather than being limited to formal acts of the Council.

The sixth conclusion is that the risk of declining marginal returns from listings in 2026–2027 will increase if the predominantly quantitative logic of list expansion is maintained. After many rounds of sanctions, there is a danger of institutional inflation of listings: new additions continue to demonstrate activity, but their aggregate operational contribution becomes less pronounced where there is no prioritisation by functional effect. For the Russian case, this is particularly important because the sanctions environment is already dense and listed parties and their networks have partly adapted to the existing regime. Consequently, prospects of effectiveness are directly linked to a transition towards typologised listing management: differentiation of sanctions objectives by category (political signalling, anti-circumvention, disruption of supply chains, delegitimation, human rights track, etc.) and selection of corresponding designation criteria. Otherwise, there is an increasing risk that list expansion will strengthen primarily the symbolic effect while producing only limited growth in material pressure. In analytical terms, this means that for 2026–2027 the key question is not “how many new listings”, but “what mechanism of effect attaches to each new block of listings”. This framing is particularly important for the subsequent section containing recommendations for strengthening the sanctions regime.

The seventh conclusion concerns the prospects for measurability of effectiveness: in 2026–2027, the effectiveness of listings will be better assessed through intermediate indicators rather than only final political indicators. Since direct attribution of “listing → change in state policy” remains methodologically weak, practical policy assessment should rely on a set of more sensitive indicators: growth in compliance refusals, complication of payment routes, lengthening of intermediary chains, increased transaction costs, reduction in the number of available service providers, frequency of corporate restructuring, and signs of forced institutional adaptation by listed parties. Consequently, prospects of effectiveness in 2026–2027 also depend on the extent to which the EU and its partners (as well as the research community and analytical centres) can improve the monitoring system for the actual impact of listings. For the present document, this means the need to embed in advance a multi-criteria model of assessment, rather than limiting analysis to the number of acts and listed parties. Otherwise, even genuinely effective listings may appear “weak” in public interpretation if measured by unsuitable metrics.

The eighth conclusion is that the most realistic scenario for the effectiveness of listings in 2026–2027 is the strengthening of their role as an instrument of selective deterrence, delegitimation, and network restriction, rather than as a standalone mechanism of strategic coercion of the Russian Federation. This does not diminish their significance; on the contrary, it clarifies their real function in a mature sanctions’ architecture. If package logic is maintained, the anti-circumvention component develops, and targeting quality improves, individual measures may materially strengthen the overall density of the sanctions’ regime, increase the cost of participation in the supporting contours of the war, and narrow the international space for action available to sanctions-relevant actors. However, expecting from them an autonomous and rapid effect at the level of key strategic decisions of the state in 2026–2027 would be methodologically unsound. Consequently, critical analysis of prospects should proceed on the basis of a “high utility, bounded coercion” model: high utility as an element of integrated pressure, with limited autonomous coercive potential.

Finally, within the applied framework of the present document, the prospects for the effectiveness of individual restrictive measures (listings) against the Russian Federation in 2026–2027 may be summarised as follows: (1) a high likelihood of preserving political-signalling and coalition effectiveness; (2) a moderate-to-high potential for growth in operational effect subject to network targeting; (3) a high potential for enhancement through anti-circumvention integration; (4) a critical dependence on evidentiary and legal robustness; (5) a substantial dependence on cross-jurisdictional coordination; and (5) a risk of declining marginal returns under quantitative list inflation.

2.2.1.6 Conclusion

Individual restrictive measures (listings) in the EU's sanctions policy against the Russian Federation in 2022–2025 confirmed their status as one of the cores and most resilient instruments of political pressure. Their key role lies not in autonomous strategic coercion of the state towards an immediate change of course, but in the creation of a targeted, legally formalised, and institutionally reproducible regime of pressure on persons, entities, and networks linked to decision-making, support for the war, implementation of repressive policy, information support, and sanctions circumvention. In this sense, listings should be assessed as an instrument of high political utility with limited autonomous coercive potential. This conclusion is consistent both with their legal construction within the EU system and with the actual logic of their use within package escalation. For the purposes of the present analytical document, this is of fundamental importance, because it helps to avoid a methodological error whereby listings are assessed against a criterion that does not fully correspond to their functional purpose. Consequently, the overall assessment should be built not around the question “why listings did not, by themselves, change Russia’s strategy”, but around the question “which functions they actually perform within the broader architecture of pressure and how effectively those functions are implemented”. It is precisely this framing that makes the critical analysis substantively accurate and practically policy-relevant.

The first overall conclusion is that listings demonstrate high effectiveness in the functions of personalisation of responsibility, delegitimation, and coalition signalling. They enable the EU and its partners to translate the international-political assessment of the Russian Federation’s actions and those of supporting actors from the level of general condemnation into a targeted format of sanctions designation. This strengthens the normative clarity of the sanctions’ regime, enhances its public legibility, and supports coalition consolidation, especially in periods when agreement on broader sectoral measures requires substantial political effort. In relation to the Russian Federation, this effect has enduring significance, because the sanctions regime is developing over a prolonged period and requires instruments for regular reproduction of the political line. Consequently, in terms of political communication and institutional confirmation of sanctions resolve, listings demonstrate high practical value. In analytical terms, this means that they cannot properly be classified as “merely symbolic” measures: in this context, the symbolic-political function is itself part of the real mechanism of pressure. In this way, listings form an important layer of sanctions governance that supports the resilience of the overall architecture of restrictions.

The second overall conclusion is that listings demonstrate a significant but uneven operational effect, which depends substantially on the quality of targeting, the depth of the evidentiary basis, and integration with the compliance and anti-circumvention contour. The most visible practical effect is not necessarily achieved in cases involving the most public-facing listed parties, but rather where a listing affects functionally important network nodes—intermediaries, logistics and service structures, financial-transactional channels, affiliated companies, and other elements of support infrastructure. This means that the effectiveness of individual sanctions is determined not only by the status of the listed party, but also by its position within the network of support, circumvention, or reproduction of sanctions-relevant activity. Consequently, for the purposes of further analysis and recommendations, it is critically important to move from a predominantly status-based understanding of listings to a more network-based understanding. In analytical terms, this is one of the central lessons of section 2.2.1: the quality of sanctions design becomes more important than simple quantitative expansion of the list. Thus, listings are most effective when embedded in broader sanctions engineering, rather than being treated as isolated political acts.

The third overall conclusion is that the principal limitations of listings are systemic rather than incidental. These include limited direct coercive effect in relation to strategic state decisions, dependence on the quality of identification of assets and networks, adaptation by listed parties and intermediary infrastructure, incomplete international synchronisation, legal and evidentiary constraints, and the difficulty of direct attribution of outcomes. These limitations do not mean that the instrument is

unsound; rather, they define realistic limits of its application and indicate the need for a proper assessment framework. For the Russian case, this is especially important given the scale of the state, the duration of the conflict, and the high adaptability of the addressee. Consequently, criticism of listings should be directed not at the fact of their use as such, but at the quality of their design, prioritisation, legal maintenance, and integration with other measures. In analytical terms, this makes it possible to preserve a balance between recognising the utility of the instrument and identifying its vulnerabilities. In this way, listings should be regarded as a necessary, but by themselves insufficient, element of sanctions pressure.

The fourth overall conclusion is that, in the 2026–2027 perspective, the most likely and realistic scenario for strengthening the effectiveness of listings is linked not to extensive growth in the number of designations, but to qualitative improvement in their application. This concerns, above all, improving the network precision of targeting, strengthening evidentiary standards, regular review and typologisation of lists, reinforcing linkage with anti-circumvention mechanisms, and improving cross-jurisdictional coordination of sanctions consequences. If a predominantly quantitative logic is maintained, the risk of “list inflation” increases, whereby the political visibility of new designations outpaces the increase in their material operational effect. Consequently, the future effectiveness of listings will be determined by the sanctions coalition’s ability to move from a model of continuous expansion to a model of strategically calibrated listing management. For the present document, this is especially important because this conclusion directly links the critical analysis to future recommendations for strengthening the sanctions regime. In this way, the listings section provides not only an evaluative basis but also a design-oriented basis for the subsequent sections of the document.

The fifth overall conclusion is that listings in the political sanctions block of the EU regime against the Russian Federation perform a hybrid function—simultaneously political, enforcement-related, compliance-stimulating, and partly infrastructure-destabilising. It is precisely this hybridity that explains why their real utility is often underestimated when analysed narrowly through the prism of direct political coercion. In a mature sanctions architecture (such as that formed in relation to the Russian Federation by 2025), individual measures operate as an interface between political decision, legal mechanism, and behavioural response by private and institutional actors. Consequently, their contribution should be measured against multiple criteria: personalisation of responsibility, restriction of international manoeuvrability, reputational cost inflation, growth of compliance risks, disruption of facilitation networks, coalition signalling, and maintenance of regime dynamism. In analytical terms, this requires a multi-criteria assessment model and rejection of one-dimensional conclusions of “effective/ineffective”. In this way, listings occupy a stable place in EU sanctions policy as an instrument of high applicability in conditions of prolonged conflict and multi-level pressure.

Overall, individual restrictive measures (listings) should be classified as a structurally necessary and politically highly useful element of the EU sanctions regime against the Russian Federation, possessing stable effectiveness in tasks of delegitimation, targeted restriction, and coalition governance, but with limited autonomous capacity for the strategic coercion of the state. The practical value of this instrument in 2026–2027 will depend primarily on the quality of its further calibration, rather than on mechanical expansion of the volume of listings.

2.2.2. Visa and Diplomatic Restrictions

2.2.2.1 Legal Instruments and Dates

EU visa and diplomatic restrictions in respect of the Russian Federation in 2022–2025 constitute a mixed normative construction: part of the measures is formalised as visa-policy decisions (suspension of the visa-facilitation agreement), part operate through the application of general EU visa law (the Visa Code), while certain elements of the diplomatic track are introduced as provisions within the sanctions framework (including amendments to Regulation (EU) No 833/2014). This architecture requires each act

to be recorded separately by its legal type, date, scope of application, and operational effect, and only then linked to the sanctions' dynamics (packages, where applicable).

A. Suspension of the EU–Russia Visa Facilitation Agreement

1. Council Decision (EU) 2022/333—partial suspension (25 February 2022)

- Date of adoption: 22 February, 2022
- Institution: Council of the European Union
- Type of act: Council Decision (EU)
- Full title: *Council Decision (EU) 2022/333 of 25 February 2022 on the partial suspension of the application of the Agreement between the European Community and the Russian Federation on the facilitation of the issuance of visas to the citizens of the European Union and the Russian Federation*
- OJ publication: *OJ L 54, 25.2.2022, pp. 1–3*
- Scope/effect: suspension of “facilitated” visa procedures for certain categories of applicants (i.e., a targeted curtailment of the facilitation regime), serving as the first normative step in tightening visa policy in response to the escalation of the war.
- Link to packages: politically correlated with the early 2022 packages, but legally a standalone instrument within the visa track.

2. Council Decision (EU) 2022/1500—full suspension (9 September 2022; application from 12 September 2022)

- Date of adoption: 9 September, 2022
- Institution: Council of the European Union
- Type of act: Council Decision (EU)
- Full title: *Council Decision (EU) 2022/1500 of 9 September 2022 on the suspension in whole of the application of the Agreement between the European Community and the Russian Federation on the facilitation of the issuance of visas to the citizens of the European Union and the Russian Federation*
- OJ publication: *OJ L 234I, 9.9.2022, pp. 1–3*
- Key legal effect: termination of the visa “facilitation” regime in full; the Council explicitly notes that, following this decision, general rules under the EU Visa Code apply to Russian nationals.
- Practical effect: higher visa fees, stricter documentary requirements, potentially longer processing times, and a more limited practice of issuing multiple-entry visas—i.e., a shift from a “facilitated” to the general visa regime.

B. General EU visa regime as the legal framework after suspension

3. Regulation (EC) No 810/2009 (Visa Code)—the baseline legal regime for short-stay visas

- Date of adoption: 13 July, 2009
- Institutions: European Parliament and Council
- Type of act: Regulation (EC)
- Full title: *Regulation (EC) No 810/2009 of the European Parliament and of the Council of 13 July 2009 establishing a Community Code on Visas (Visa Code)*
- OJ publication: *OJ L 243, 15.9.2009, pp. 1–58*
- Role in this block: following the full suspension of the visa-facilitation agreement with Russia, the Visa Code becomes the immediate normative basis for consular practice in processing Russian nationals' applications for short-stay Schengen visas. The crucial point is that the restrictive effect in this area is ensured not by a “sanctions regulation”, but by a return to general EU visa law.

C. Further calibration of visa practice for Russian nationals

4. Commission Implementing Decision—“adapted rules” on multiple-entry visas (6 November 2025)

- Date of adoption: November 6, 2025
- Institution: European Commission (DG HOME)
- Type of act: Commission Implementing Decision

- Full title (as in the document): *Commission Implementing Decision of 6.11.2025 establishing adapted rules on the issuing of multiple-entry visas to Russian nationals residing in the Russian Federation and applying in the Russian Federation for short-stay visas*
- Publication/access: issued as an official DG HOME document
- Key effect: establishment of specific (adapted) rules for issuing multiple-entry visas to Russian nationals, shifting practice towards a stricter model with a security and enhanced-control focus (in effect, reducing the “automaticity” of multiple-entry visas and strengthening case-by-case scrutiny).
- Place in sanctions logic: this is not a “sanctions package” in the narrow sense, but a visa-security calibration consistent with the wider logic of foreign-policy pressure and risk management.

D. Diplomatic track (movement of Russian diplomats) as part of late sanctions packages

5. Council Regulation (EU) No 2025/2033—amendments to Regulation (EU) No 833/2014 (23 October 2025; 19th package)

- Date of adoption: 23 October 2025
- Institution: Council of the European Union
- Type of act: Council Regulation (EU) (amending regulation)
- Full title: *Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*
- Role: this act is key because it demonstrates that elements of “diplomatic restrictions” may be introduced not via a standalone visa decision, but through the sanctions’ regulation No 833/2014 itself, in a logic of security/counter-intelligence risk management and control of movements.

6) Official articulation of the diplomats’ movement measure: Council press release and Commission explanation (23 October 2025)

- Council press release (19th package, 23 October 2025): the Council explicitly refers to “strengthening control over the movement of Russian diplomats across the EU”.
- Commission explanation (19th package, 23 October 2025): the Commission clarifies the operational mechanics: an advance-notification obligation is introduced for trips by Russian diplomats within the EU beyond the Member State of accreditation; in addition, Member States may introduce an authorisation requirement for entry/movement on the basis of visas/residence permits issued by another Member State, with the stated purpose of countering “hostile intelligence activities”.

2.2.2.2 Objectives and Political Logic

The objectives of visa and diplomatic restrictions within the EU sanctions architecture against the Russian Federation in 2022–2025 should be understood as a multi-component political and governance instrument, in which legal mechanisms of visa policy and the diplomatic regime are used to (1) reduce the addressee’s international manoeuvrability and institutional presence, (2) increase costs and risks for certain categories of Russian actors, (3) constrain operational capabilities in the sphere of influence and intelligence activity, and (4) sustain coalition signalling and the normative framework of response. Unlike individual listings, which directly personalise responsibility through specific designations, the visa–diplomatic block operates through access and mobility regimes, i.e., through systemic tightening of entry conditions into the European space and regulation of physical movement. In its political logic, these measures sit at the intersection of sanctions and security policy: some elements serve a pronounced foreign-policy function of pressure and delegitimation, while others function as risk management and access control under conflict conditions. Consequently, assessment of the effectiveness of this block must consider not only a “punitive” dimension, but also the security and coalition-resilience dimension, as well as the prevention of the use of visa and diplomatic channels for hostile activities. This framework explains why EU visa measures against the Russian Federation go beyond symbolic decisions and are framed as a sequenced normative reconfiguration of access and control.

The first core objective is to constrain institutional normalisation and reduce the political “ordinariness” of interaction with the Russian Federation in the context of war. The full suspension of the visa facilitation agreement and the return to the general rules of the Visa Code have not only an administrative-consular meaning. They fix a political position of the EU: relations with Russia cannot remain in a “standard” facilitated mode if Russia is treated as a state violating fundamental norms of European security. In this sense, visa restrictions perform a politico-normative marking function: they signal the end of a previously “privileged” access regime and shift interaction into a stricter, more formalised, and more controlled format. Consequently, the objective is not merely to make travel more difficult, but to send an institutional signal that the former level of trust and procedural facilitation has been withdrawn. For coalition governance, this is important because it establishes a durable framework in which normalisation is treated as conditionally possible only if baseline conditions change. In this way, visa measures operate as an element of political isolation and delegitimation, complementing economic and personal sanctions.

The second objective is selectively to constrain mobility and increase transaction costs for Russian actors seeking to use European space for business, political, communicative, and other purposes. Following the full suspension of the visa facilitation agreement, higher fees, increased documentary requirements, and a stricter practice on multiple-entry visas shift mobility of Russian nationals into a higher-cost and higher-uncertainty regime. In the political logic of the sanctions’ regime, this has a dual function. On the one hand, it reduces the convenience and predictability of access to the EU, constituting a form of pressure and narrowing the possibilities for “normal” cross-border activity for categories associated with regime support or benefiting from global mobility. On the other hand, it increases sensitivity to compliance risks on the part of consular and border authorities, producing stricter filtering and reducing opportunities for abuse of the visa regime. Consequently, visa measures operate not as a mass punishment of the population, but as an instrument of systemic tightening of access conditions embedded in the logic of proportionality and risk management. For effectiveness assessment, this matters because the effect is expressed not only in quantitative visa-issuance figures, but also in the altered control regime and due-diligence practice applied to applicants.

The third objective is to strengthen the counter-intelligence and security contour through restrictions on diplomatic and quasi-diplomatic mobility. The strengthening of controls over the movement of Russian diplomats across the EU (in the logic of the 19th package) demonstrates a clear shift from classical visa regulation to the management of operational risks. The political logic of this measure is linked to the fact that diplomatic status may be used not only for lawful inter-state communication, but also as an infrastructural resource for activities qualified by the EU as hostile (including intelligence and hybrid operations). Consequently, control over diplomats’ movement performs two interrelated functions: it reduces freedom of operational manoeuvre while increasing observability and predictability of diplomatic activity. Institutionally, the measure also reinforces discipline among Member States by introducing a stricter notification/authorisation regime for travel beyond the state of accreditation. In this way, the diplomatic contour of visa-related restrictions is not “symbolic”, but a functional security-management instrument under conditions of high-intensity conflict. For subsequent effectiveness analysis, this means that assessment criteria must include not only political isolation, but also parameters of reduced operational risk and constrained space for hostile activity.

The fourth objective is to increase the resilience of the sanctions regime by reducing “grey zones” of movement and access that may be exploited to circumvent other restrictions. Visa regimes are closely linked to financial and service restrictions: physical presence in Europe facilitates a range of operations, including organising intermediation, managing assets, establishing contacts with counterparties, executing documentation, and other actions that may support sanctions evasion. Consequently, tightening visa procedures and restricting diplomatic mobility create an additional barrier that increases the cost and complexity of circumvention schemes. This does not automatically eliminate circumvention, but it shifts part of the activity into more complex routes and increases detection risk. Analytically, this shows that visa and diplomatic restrictions form part of the anti-circumvention

ecosystem even where they are formally framed as visa law rather than as a sanctions' regulation. Thus, the political logic of visa measures includes an infrastructural component: constraining the physical operability of sanctions-relevant networks.

The fifth objective is coalition signalling and maintenance of intra-EU coherence. Decisions to suspend the visa facilitation agreement and subsequent calibration of visa practice convey an important political signal both externally and internally. Externally, they demonstrate to Russia and third countries that the sanctions response affects not only markets and finance, but also access to European space as a political and institutional privilege. Internally, these measures support the standardisation of practice, reduce heterogeneity of Member State approaches, and reinforce the sense of a common sanctions policy. At the same time, visa measures are traditionally a sensitive area of national competence and public opinion; consequently, agreeing and sustaining a unified approach is itself a governance challenge. In analytical terms, this means that the effectiveness of visa-diplomatic restrictions includes a coalition durability parameter: the EU's capacity to maintain a common line amid political and humanitarian debates over permissible exceptions, applicant categories, and the balance between restriction and protection of humanitarian channels. Thus, visa measures function not only as pressure on the addressee, but also as an instrument of institutional self-organisation of the sanctions' coalition.

The sixth objective is selectivity and manageability in the context of proportionality and humanitarian exceptions. Visa policy, unlike certain economic prohibitions, inevitably engages humanitarian cases, family circumstances, education, medical travel, and other categories for which the EU and Member States must maintain legally and politically robust procedures. Consequently, the political logic of visa restrictions includes continuous calibration: tightening must not eliminate the possibility of exceptions necessary under human rights considerations and international obligations. Practically, this means that the effectiveness of visa measures depends on how clearly exceptions are defined and on ensuring that they do not become a systemic loophole for circumvention. For effectiveness analysis, this matters: excessively broad exceptions reduce the restrictive effect, while an overly rigid regime without manageable exceptions may generate reputational and political risks for the coalition itself. Consequently, visa measures are a foreign-policy pressure instrument that must preserve a balance between political objectives and legal manageability. This distinguishes them from purely economic prohibitions and requires a distinct assessment logic.

The seventh objective is complementarity with other types of sanctions and reinforcement of their cumulative effect. Visa and diplomatic restrictions do not replace listings, sectoral measures, or financial prohibitions, but they can strengthen them by constraining physical mobility and institutional presence. This is particularly important in relation to the Russian Federation, since a significant share of adaptation mechanisms in a sanctions' environment relies on cross-border intermediary practices. Narrowing access regimes and strengthening controls on diplomats' movement increases the cost of sustaining such practices and raises the risk of detection. Consequently, the political logic of this block is to make the sanctions regime more "closed": to reduce opportunities for circumvention through travel, diplomatic channels, private contacts, and physical presence in the European space. Analytically, this means that visa and diplomatic restrictions should be assessed as a factor increasing the integrity of the sanctions' architecture. Their effectiveness manifests not only in isolation, but also in improving the effectiveness of other measures that might otherwise be bypassed through offline operability. In this way, visa measures function as an "infrastructural enhancer" of the sanctions system.

Finally, within the applied framework of the present document, the objectives and political logic of visa and diplomatic restrictions in relation to the Russian Federation may be summarised as a combination of the following functions: (1) political-normative marking and refusal of normalisation, (2) selective tightening of access regimes and cost increases, (3) strengthening of security and counter-intelligence control, (4) support for anti-circumvention by limiting physical operability, (5) coalition signalling and standardisation of practice, managed proportionality and exceptions, and (6) complementarity and reinforcement of cumulative sanctions effect.

2.2.2.3 Advantages

Visa and diplomatic restrictions in relation to the Russian Federation have a number of advantages as instruments of political pressure and risk management, because they operate on the access and mobility regime—i.e., on the infrastructural basis of international interaction. Unlike certain economic measures, which require complex sectoral calibration and may generate significant collateral effects for markets and Member States, the visa–diplomatic track allows restrictions to be introduced that are relatively more manageable in scale and more readily communicable in politico-normative terms. Its strength, moreover, lies not only in formal prohibitions, but in reshaping the underlying “architecture of admission” into the European space and increasing the sensitivity of control systems to risks of circumvention, hostile activity, and misuse. Consequently, the advantages of this block are expressed primarily in its capacity to perform political, institutional, and security functions simultaneously. This makes visa and diplomatic restrictions an important complement to listings and sectoral sanctions, especially in the context of a prolonged conflict, where the pressure regime must remain durable without continuous expansion of the costliest economic measures.

The first advantage is high politico-normative clarity and the symbolic-institutional effect of “refusal of normalisation”. Full suspension of the visa facilitation agreement and the shift to the general rules of the Visa Code send a clear signal: European space is not treated as a zone of “ordinary” interaction with a state waging a war and regarded as undermining the foundations of European security. The measure is publicly legible and institutionally tangible, as it affects one of the most visible forms of international “privilege”—facilitated access to the Schengen area. For coalition policy, this matters because it establishes a durable framework in which political interaction and contacts cannot proceed under the previous regime without changes in baseline conditions. Consequently, visa restrictions reinforce the delegitimising contour of sanctions policy, complementing economic restrictions that are often perceived as more technocratic. Analytically, this means that visa measures have high effectiveness as an instrument of political marking and maintenance of the normative narrative of the sanctions’ regime. In this way, they function as an effective element of the EU’s “sanctions language”, converting a foreign-policy position into an institutionally fixed rule.

The second advantage is the infrastructural character of their impact. Visa policy affects not a single sector or group of companies, but the basic ability to be physically present and move within the European space. This means that the effect of visa restrictions is widely distributed and operates as an entry “filter”: it reduces the convenience and predictability of using the EU as a space for business operations, political communication, organisational intermediation, and other activities, including potentially sanctions-relevant ones. In conditions where certain sanctions-evasion schemes rely on cross-border contacts, personal travel, documentation, and relationship-building, stricter visa controls increase costs and complicate the logistics of such activity. Consequently, the advantage of visa measures is that they strengthen the overall integrity of the sanctions regime by creating an additional barrier to circumvention practices. At the same time, they do not require the same depth of sectoral detail as export controls and can be adapted within the existing framework of visa legislation and consular practice. Analytically, this makes visa restrictions a convenient instrument for increasing the “closure” of the sanctions’ architecture.

The third advantage is a strong security effect, particularly within the diplomatic contour. Strengthened controls over the movement of Russian diplomats within the EU, introduced through later sanctions packages, demonstrate that diplomatic restrictions are used not only as political pressure, but also as a risk-management measure linked to “hostile intelligence activities” and hybrid activity. This advantage is important for two reasons. First, it moves the diplomatic contour into the sphere of practical operational security, increasing observability of movements and reducing freedom of manoeuvre. Secondly, it strengthens coordination among Member States by establishing common notification/authorisation procedures, thereby reducing fragmentation of control and lowering the likelihood that “weak links” within the Schengen area can be exploited. Consequently, diplomatic restrictions have the advantage of strong functional justification: they address a specific risk, rather than

merely producing a symbolic signal. For critical assessment of effectiveness, this is fundamental, because it allows the block to be evaluated not in rhetorical categories, but by reference to reduced operational capabilities and improved control discipline.

The fourth advantage is compatibility with the principle of proportionality and manageable exceptions. Visa measures, unlike certain economic sanctions, allow comparatively flexible calibration through applicant categories, exceptions, consular processing priorities, and individual checks. This enables the sanctions coalition to strengthen control while avoiding direct penalisation of humanitarian-vulnerable categories, provided appropriate exceptions and procedures exist. For the EU, this matters in terms of legal robustness and political legitimacy: the visa regime must be both strict and legally manageable. Consequently, one advantage of visa restrictions is the possibility of more precise risk-based calibration, rather than a purely citizenship-based approach. Analytically, this increases the measure's sustainability in a democratic environment and reduces the likelihood of reputational costs for the sanctions' coalition. At the same time, manageable exceptions allow humanitarian channels to be preserved without undermining the overall logic of access restriction. In this way, the visa block can support sanctions effectiveness without excessive political damage to the coalition itself.

The fifth advantage is high applicability as an instrument of coalition governance and practice harmonisation. Decisions suspending the visa facilitation agreement and subsequent calibration of rules (including multiple-entry visas) create a common framework that helps reduce heterogeneity of national approaches. In the EU's multi-level system, this matters because visa policy combines EU-wide rules with a substantial level of national administration. Clear legal acts and implementing decisions enable the coalition to maintain a more unified admission regime, reducing the risk that individual Member States may de facto offset the common line through overly liberal visa-issuance practice. Consequently, visa measures increase the manageability of the sanctions architecture as a system. Analytically, this means that the effectiveness of the visa–diplomatic block should also be assessed by its capacity to reduce intra-EU divergences and sustain regime reproducibility. In this way, visa restrictions operate not only as an external instrument of pressure, but also as a mechanism of internal institutional discipline.

The sixth advantage is a lower risk of major macroeconomic collateral effects compared with sectoral sanctions, while preserving political significance. Visa restrictions do not, as a rule, generate systemic shocks for energy markets, supply chains, or financial stability of Member States, which makes them more politically manageable in a prolonged sanctions cycle. This does not imply an absence of collateral effects altogether (humanitarian, educational, and family consequences exist), but in macroeconomic terms this instrument is usually less costly for the coalition than large-scale trade and technology prohibitions. Consequently, visa and diplomatic measures can be used as a channel for maintaining sanctions dynamism and pressure under constraints on further sectoral escalation. Analytically, this makes them an important element of the resilience of the sanctions' regime: they allow continuation of pressure to be demonstrated without immediately increasing economic costs for the EU. In this way, visa measures strengthen the coalition's capacity to sustain a sanctions strategy over a multi-year horizon.

The seventh advantage is complementarity with listings and sectoral measures through restriction of physical operability. Individual sanctions and sectoral prohibitions create legal constraints, yet part of sanctions-relevant activity may rely on physical presence and mobility (negotiations, intermediation, asset management, supply organisation, contact with service providers). Tightening the visa regime and diplomatic controls reduces the convenience of such practices and increases their risk profile. Consequently, visa and diplomatic restrictions can strengthen the operation of other sanctions even where they do not themselves generate direct economic harm comparable to trade prohibitions. Analytically, this means that the visa block should be assessed as a “force multiplier” of the sanctions' architecture: it makes other measures harder to circumvent and reduces the availability of offline circumvention tools. In this way, visa restrictions increase the overall cumulative effectiveness of the sanctions' regime.

Finally, the advantages of visa and diplomatic restrictions in relation to the Russian Federation may be summarised as (1) a combination of political-normative clarity, (2) infrastructural impact on access and mobility, (3) a strong security effect (especially in the diplomatic contour), (4) high manageability through proportionality and exceptions, (5) coalition applicability and harmonisation of practice, (6) comparatively low macroeconomic costs, and (7) complementarity reinforcing other sanctions measures.

2.2.2.4 Limitations and Implementation Problems

Notwithstanding the substantial advantages of visa and diplomatic restrictions as instruments of pressure and risk management, their actual effectiveness in relation to the Russian Federation in 2022–2025 encounters a set of persistent constraints. These constraints are partly structural (the limited autonomous coercive potential of visa measures), partly institutional (fragmented implementation across Member States and dependence on consular and border practice), and partly politico-legal (proportionality, exceptions, judicial resilience, and reputational robustness). For critical assessment, it is important to recognise that, by its nature, the visa–diplomatic block is not a “strike on resources” in the same sense as financial and technological sanctions; it operates through access and mobility regimes, and therefore its effects are more likely to manifest in medium-term and infrastructural shifts than in immediate political change. Consequently, the constraints of this block should be analysed as limits inherent to a specific instrument, rather than as evidence of the failure of sanctions policy as a whole. This framing is necessary in order to assess accurately where visa measures genuinely reinforce the sanctions regime and where their effect is objectively bounded and must be complemented by other instruments.

The first limitation is the limited direct coercive effect on strategic state behaviour. Tightening visa regimes and diplomatic procedures can reduce convenience and scope for international contacts, but it rarely has the capacity, on its own, to change key decisions of political leadership, particularly under conditions of war and mobilisation governance. In relation to the Russian Federation, this boundary is especially visible: state policy and military decisions are largely independent of the degree of comfort associated with travel or consular arrangements for citizens. Consequently, assessing visa measures by a “coerced / not coerced” criterion inevitably produces inflated expectations and methodologically weak conclusions. Their real function is to restrict normalisation, reduce mobility of certain categories, and increase operational risks—not to serve as autonomous strategic coercion. This means that visa measures are effective primarily as part of a cumulative pressure architecture rather than as a standalone instrument of behavioural reversal. Thus, the first limitation is conceptual: it arises from the nature of the measure and requires correct calibration of effectiveness criteria.

The second limitation is fragmented implementation across Member States and heterogeneity of consular practice. Even where common rules apply (the Visa Code) and the “facilitation” regime has been formally suspended, actual visa-issuance practice depends on administrative resources, national priorities, risk assessments, and the practice of individual consulates. Within the Schengen system, differences in national approaches may create an “access gradient”, whereby applicants seek more favourable application windows rather than encountering a uniform regime. This is particularly critical for effectiveness assessment: a measure may be politically announced as unified, yet operate with varying intensity in practice. For the EU, this is not merely a technical issue, but a structural vulnerability of sanctions governance: where admission regimes are heterogeneous, predictability and deterrent effect are reduced. Consequently, one of the key implementation challenges remains the EU’s capacity to sustain practice harmonisation while preserving a substantial degree of national administration. Analytically, this requires attention not only to the normative act, but also to actual implementation metrics (issuance dynamics, refusal rates, the structure of multiple-entry visas), as well as institutional variation within the EU. Thus, the implementation problem lies in an “implementation gap”: the divergence between normative framework and administrative practice.

The third limitation is the existence of lawful exceptions and “grey zones” that are unavoidable for legal robustness, but may be exploited for circumvention. Visa policy cannot be fully “closed” without risking violations of humanitarian obligations and proportionality principles; grounds for exceptions exist (family circumstances, humanitarian reasons, education, medical travel), as do various residence-related documents not reducible to short-stay visas. These exceptions are necessary, yet they create potential channels for misuse and for bypassing the overall regime. Consequently, part of the limitation of visa measures lies in the persistent balancing requirement: the broader the exceptions, the weaker the restrictive effect; the narrower the exceptions, the higher the legal and reputational risks for the EU. For sanctions policy against the Russian Federation, this is particularly sensitive because visa measures affect broad categories of citizens and inevitably become the subject of political and human-rights debate. Analytically, this means that the effectiveness of visa measures depends not only on stringency, but also on the quality of exception management: clarity of criteria, verifiability of grounds, and the capacity to prevent exceptions from becoming a systemic loophole. Thus, legal manageability is simultaneously a condition of legitimacy and a source of bounded effectiveness.

The fourth limitation is the substitutability of visa restrictions through alternative channels of mobility and presence. Even where short-stay visas are tightened, other access routes may remain: national visas of individual states (within their competences), residence permits, family-member status, professional and educational grounds, as well as routing through third countries and the use of non-European transit hubs. In addition, a significant share of international interaction can be shifted to remote formats, reducing the “price” of restricting physical mobility. For the Russian Federation, this means that visa measures increase costs but do not always block access as such. Consequently, sanctions effectiveness of the visa regime is constrained by the availability of substitute channels and by behavioural adaptation. Analytically, this requires that visa measures be treated as a factor increasing transaction costs and risk, rather than as a mechanism of complete cessation of mobility. Thus, the effectiveness of visa restrictions is probabilistic and depends on the extent to which substitutive channels are closed and on the degree of coordination among Member States.

The fifth limitation is the high political sensitivity of visa measures and the risk of counterproductive effects. Visa restrictions affect not only elites and functional actors, but also broad categories of citizens, which creates a risk that the measure is interpreted as collective punishment. This may generate negative consequences for public diplomacy, influence on societal attitudes, and the EU’s reputation as a legal and humanitarian-oriented actor. Under conditions of prolonged conflict, such effects can be exploited by Russian propaganda as evidence of “Europe’s hostility”, reinforcing mobilisation narratives inside the Russian Federation. Consequently, the implementation challenge of visa measures includes the need for continuous communications calibration and maintenance of regime legitimacy through clear explanation of objectives, proportionality, and the existence of exceptions. Analytically, this means that visa measures carry higher reputational risk than many sectoral sanctions, and their effectiveness partly depends on the coalition’s capacity to manage that risk. Thus, the visa block is an instrument with a high political “cost” in the public domain, which constrains the space for further tightening without additional compensatory mechanisms.

The sixth limitation is the difficulty of measuring effectiveness and the attribution problem. Because visa and diplomatic restrictions operate alongside economic sanctions, military developments, and broader political dynamics, it is difficult to establish a direct causal link between visa decisions and changes in the behaviour of the target state. Moreover, even at the level of intermediate effects (reduced travel volumes, route changes, higher refusal rates), the data may be heterogeneous and not fully comparable across Member States. Consequently, effectiveness assessment requires a combination of quantitative and qualitative indicators: visa issuance dynamics, refusal rates, the structure of multiple-entry visas, changes in diplomatic activity, and contextual data on circumvention attempts and adaptation. Analytically, this means that visa measures rarely provide an “obvious” result metric; their effect manifests as altered control regimes and higher barriers, which are harder both to communicate and to

evaluate methodologically. Thus, measurement constraints reduce the coalition's ability to demonstrate the effectiveness of this instrument, especially in the public domain.

The seventh limitation is the uneven impact across categories of Russian actors. Visa restrictions are more consequential for those dependent on regular travel and international contacts, but less consequential for actors whose activity and resources are concentrated within the Russian Federation or in alternative jurisdictions. As a result, visa measures may create meaningful barriers for parts of the business and professional environment while having limited influence on key decision-making centres and security structures. Consequently, the effectiveness of visa measures in terms of pressure on "power nodes" is limited. This requires correct prioritisation: visa measures function better as an instrument of restricting normalisation and managing risks than as a primary coercive mechanism. Analytically, this means the need to distinguish target groups and to avoid projecting expectations from visa measures onto categories of actors for whom mobility is not a critical resource. Thus, uneven impact is a systemic characteristic of this instrument.

The eighth limitation is the resource burden on consular and border systems and the risk of bureaucratic overload. Returning to the general visa regime and strengthening applicant screening increases administrative workloads: more time is required for processing, more checks are needed, and more security coordination is demanded. This can generate delays, queues, reduced quality of processing, and potentially a higher rate of errors. For the EU, this matters because administrative overload can itself reduce regime effectiveness: instead of targeted filtering, bureaucratic noise may increase. Consequently, one practical constraint is the need for adequate resourcing of the visa track; otherwise, the regime becomes either overly formalistic (without effective verification) or overly slow and politically contentious. Analytically, this means that the effectiveness of visa restrictions depends on administrative capacity and digital control infrastructure. Thus, implementation of the visa block is subject to capacity constraints that cannot be resolved through political decisions alone.

Finally, taken together, the limitations and implementation problems of visa and diplomatic restrictions against the Russian Federation may be summarised as follows: (1) limited direct coercive effect, (2) implementation gap and heterogeneous practice across the EU, (3) inevitable exceptions and the risk of grey zones, (4) substitutability through alternative channels, (5) high political and reputational sensitivity, (6) difficulty of measurement and attribution, (7) uneven impact across actor categories, and (8) administrative burden and capacity constraints.

2.2.2.5 Prospects of Effectiveness (2026–2027)

The prospects for the effectiveness of visa and diplomatic restrictions in relation to the Russian Federation in 2026–2027 should be assessed as conditionally strengthen-able, i.e., dependent on the quality of access-regime management, coordination among Member States, and the integration of the visa contour into broader sanctions governance. Over the 2026–2027 horizon, visa measures are not an instrument capable, on their own, of producing a strategic political reversal; their contribution is more realistically understood as increasing the overall density of the sanctions architecture by narrowing spaces for normalisation, raising control discipline, and reducing the opportunities for the physical operability of sanctions-relevant networks. Consequently, the question of prospects is not one of simple tightening of rules, but of whether the EU can move from the normative level already achieved to a more resilient and purpose-driven implementation practice. In this sense, 2026–2027 is a period in which the value of the visa–diplomatic block will be determined primarily by quality of execution and coalition reproducibility, rather than by the number of new formal acts. This framing is particularly important because the potential for "extensive" tightening of visa measures is constrained by political sensitivity and the need to preserve humanitarian exceptions. Therefore, improvements in effectiveness will largely depend on operational refinement.

The first forward-looking conclusion is that the politico-normative function of refusing normalisation is likely to be maintained and institutionally reinforced. Provided the war continues and baseline conditions remain unchanged, the sanctions coalition will have an interest in sustaining a regime in

which access to European space is not perceived as a previous privilege. Consequently, the decisions already taken on full suspension of visa facilitation and stricter visa-issuance practice are likely to remain a key symbolic-institutional marker of sanctions durability. In 2026–2027, the most probable trajectory is not a return to a facilitated model, but consolidation of practice around the general visa regime and further calibration of multiple-entry visas. This means that visa measures will retain high utility for sanctions signalling and for sustaining the coalition narrative. Analytically, this effect is important because it provides a “long” political framework for sanctions: normalisation becomes impossible without a change in context. Consequently, from the perspective of political pressure, this dimension of visa measures has stable prospects.

The second forward-looking conclusion is that the most substantial increase in effectiveness in 2026–2027 is likely to come from reducing fragmentation and the “implementation gap” among Member States. Since one of the main constraints on effectiveness is heterogeneity in consular practice, the prospects of the visa block depend heavily on the EU’s ability to strengthen harmonisation: common criteria for risk-based scrutiny, common approaches to multiple-entry visas, more coordinated practice for applicant categories and exceptions. Implementing instruments of the Commission, common guidance, data-sharing, and harmonised verification procedures can play an important role. If this component is strengthened, visa restrictions become more predictable and therefore more deterrent. If it is not strengthened, the “access gradient” persists, and part of the pressure is neutralised by applicants searching for less stringent administrative windows. Consequently, in 2026–2027, the principal condition for growth in effectiveness is institutional strengthening of a common implementation regime rather than merely normative tightening. This makes the visa block dependent on the quality of inter-state coordination, which should be explicitly reflected in the forward-looking assessment.

The third forward-looking conclusion is that the effectiveness of visa measures will increase if they are more clearly embedded within the anti-circumvention ecosystem. The visa regime does not, on its own, block financial and trade circumvention schemes, but it can reduce their physical operability: complicating contact-building, organisation of intermediation, asset management, and logistics within EU territory. In 2026–2027, effectiveness could be enhanced through stronger linkage between consular/border data and sanctions registers, and through more active use of risk indicators associated with circumvention (e.g., affiliation with already-sanctioned networks, roles in supply chains, and intermediary functions). This does not imply a move towards “mass denial”. It implies improved precision of filtering and greater regime resilience. Consequently, the visa block becomes more effective not as a broad ban, but as an infrastructural compliance instrument. Analytically, this is particularly important because it shifts the narrative from “border closure” to controlled security and risk management, which increases legitimacy and reduces reputational costs.

The fourth forward-looking conclusion is that the diplomatic contour has a high potential for strengthening in 2026–2027, while remaining politically and legally sensitive. Controls over the movement of Russian diplomats within the EU are an area where effects are comparatively more observable: they increase observability, reduce freedom of manoeuvre, and reinforce inter-state discipline. Provided hybrid threats and intelligence risks persist, this contour could be strengthened through more detailed notification procedures, enhanced data exchange, linkage to risk profiles, and increased consistency among Member States. However, such measures inevitably confront the constraints of diplomatic law and reciprocity, as well as the risk of retaliatory restrictions by the Russian Federation. Consequently, prospects for strengthening depend on cautious but consistent institutionalisation of control, rather than abrupt public steps. Analytically, this means that diplomatic restrictions are likely to be strengthened primarily through procedures and coordination rather than high-profile declarations. This makes them potentially effective in reducing operational risks, provided governance quality is high.

The fifth forward-looking conclusion is that prospects for effectiveness will depend on the capacity to manage exceptions and humanitarian channels without allowing them to become loopholes. In 2026–

2027, as the conflict persists, pressure on the exceptions system may increase: on the one hand from human-rights and humanitarian arguments, and on the other from security and sanctions-enforcement considerations. Consequently, the coalition's task will be to maintain manageable proportionality: exceptions should remain real and usable, but strictly verifiable and risk-limited. Improvements in effectiveness may be achieved through clearer typologisation of exceptions, improved verification of grounds, and digital data-sharing tools. Otherwise, exceptions may become systemic circumvention channels. Analytically, this means that the effectiveness of the visa block in 2026–2027 will be determined not only by strictness, but also by the quality of procedural architecture. This is especially important for preserving legitimacy and avoiding counterproductive reputational effects.

The sixth forward-looking conclusion is that administrative and digital capacity is likely to become more important. If the visa regime becomes more risk-oriented and more integrated with sanctions data, burdens on consulates, border authorities, and information systems increase. Consequently, improved effectiveness in 2026–2027 will depend on investment in digital solutions, interoperability of databases, speed of information exchange, and staff training. Without this, tightening rules may lead to bureaucratic overload, reduced quality of checks, and more errors. In turn, effectiveness declines while political costs rise. Consequently, the forward-looking section should explicitly note that visa restrictions are not only policy but also an implementation infrastructure requiring capacity-building. Analytically, this adds an important institutional criterion of prospects.

The seventh forward-looking conclusion is that, from the standpoint of effectiveness, the most realistic trajectory for 2026–2027 is to strengthen visa and diplomatic restrictions as an instrument of selective deterrence and risk management, rather than as an instrument of mass restriction. The closer measures move towards a mass ban, the higher the risk of reputational damage and political counterproductivity, the more difficult it becomes to maintain coalition durability and manageable exceptions. Consequently, an optimal strategy for increasing effectiveness is improving filtering precision, reducing implementation fragmentation, strengthening anti-circumvention linkage, and consolidating diplomatic controls. In such a model, visa measures reinforce the sanctions regime without becoming an instrument that undermines its legitimacy. This is particularly important over the 2026–2027 horizon, where sanctions policy must be sustainable rather than maximalist. Consequently, effectiveness is likely to be higher under a “targeted governance” model of visa policy than under a “total closure” model.

Finally, within the applied framework of the present document, the prospects for the effectiveness of visa and diplomatic restrictions against the Russian Federation in 2026–2027 may be summarised as follows: (1) high durability of the political-normative function of refusing normalisation; (2) a potentially high increase in effectiveness if implementation fragmentation is reduced; (3) significant potential for strengthening through anti-circumvention integration; (4) high potential of the diplomatic contour in procedural control; (5) critical dependence on manageable exceptions and humanitarian channels; (6) dependence on administrative and digital capacity; (7) and a preferred trajectory of selective, risk-oriented strengthening rather than mass bans.

2.2.2.6 Conclusion

Visa and diplomatic restrictions in relation to the Russian Federation in 2022–2025 should be classified as a structurally important, yet inherently bounded instrument of political pressure within the EU sanctions architecture. Their principal contribution lies not in direct coercion towards a strategic policy reversal, but in the institutional consolidation of a refusal of normalisation, in tightening the admission regime into European space, and in reducing operational opportunities linked to mobility, diplomatic channels, and potentially hostile activity. In this sense, the visa-diplomatic block performs foreign-policy, institutional, and security functions simultaneously and complements both listings and sectoral measures. For critical analysis, it is essential to note that the effectiveness of these measures manifests primarily in infrastructural and procedural dimensions: they increase the density of the sanctions regime, reduce “grey zones” of access, and strengthen control discipline, but they cannot be properly assessed solely by reference to immediate changes in state behaviour. Consequently, the overall

assessment should define their real functional niche while also specifying the limits of autonomous effectiveness. This framing embeds visa and diplomatic restrictions within the broader picture of sanctions governance and avoids both inflated expectations and unwarranted underestimation.

The first overall conclusion is that visa measures demonstrate high politico-normative and coalition-signalling effectiveness. Suspension of the visa facilitation agreement and the shift to the general Visa Code regime are an institutionally legible signal: access to the Schengen area ceases to be a “facilitated” element of relations and becomes a strictly regulated procedure reflecting the political assessment of Russia’s conduct. This supports the durability of the sanctions narrative and reinforces the principle that the normalisation of interaction cannot proceed automatically under wartime conditions. In the coalition dimension, visa decisions also operate as a mechanism of harmonisation and discipline: they establish a common framework for Member States and reduce space for bilateral “off-package” normalisation. Consequently, in terms of political signalling and institutional withdrawal of the former trust-based regime, visa measures demonstrate durable practical value. Analytically, this confirms that visa restrictions are not a secondary element, but an important part of the political contour of the sanctions’ architecture.

The second overall conclusion is that the visa–diplomatic block has a meaningful security and operational effect, particularly in the diplomatic contour, although that effect depends on the quality of coordination and implementation. Strengthened control over the movement of Russian diplomats within the EU reflects a shift towards managing risks associated with “hostile intelligence activities” and towards constraining freedom of operational manoeuvre. This advantage is especially important because the diplomatic contour is one of the few areas of sanctions policy where effects can be expressed in increased observability and procedural discipline. At the same time, since implementation depends on inter-state coordination and notification/authorisation procedures, effectiveness is directly linked to the practical consistency of Member States and information exchange. Consequently, diplomatic restrictions can be highly effective as an instrument for reducing operational risks, but their effectiveness is institutionally conditioned, rather than automatic. Analytically, this means that assessment must take account of governance quality, not merely the formal legal introduction of the measure.

The third overall conclusion is that the key constraints of visa measures are systemic: limited direct coercive potential, an implementation gap, the inevitability of exceptions, substitutability through alternative channels, high political sensitivity, and difficulty of measurement. These constraints do not negate the usefulness of the instrument, but they define its real “operating band”. In relation to the Russian Federation, visa measures operate more effectively as an instrument of refusing normalisation, selectively increasing costs, and strengthening control than as a mechanism of pressure on decision-making centres. Consequently, critical assessment should focus on reducing the implementation gap (harmonisation of practice), improving the management of exceptions, strengthening digital and administrative capacity, and integrating the visa contour with anti-circumvention logic. Analytically, this means that effectiveness of visa measures can be enhanced primarily through improved implementation rather than through unilateral tightening without supporting infrastructure. In this way, the visa block is an instrument whose effectiveness is highly sensitive to administrative execution quality and coalition discipline.

The fourth overall conclusion is that the most realistic vector for increasing effectiveness in 2026–2027 is selective, risk-oriented strengthening of visa–diplomatic restrictions rather than a shift towards mass bans. Mass restrictions increase the probability of counterproductive effects (reputational risks, reinforcement of propaganda narratives about collective punishment, reduced coalition durability, and higher political costs). By contrast, targeted calibration—reducing fragmentation of practice, strengthening procedural discipline, improving linkage to sanctions data and anti-circumvention—makes it possible to increase effectiveness without undermining legitimacy. Consequently, the visa and diplomatic contour is most useful as an “infrastructural enhancer” of the sanctions’ architecture, increasing its closure and reducing opportunities for the physical operability of sanctions-relevant

networks. Analytically, this clarifies the place of visa measures within the overall system of pressure: they perform better as an element of managed governance than as a maximalist closure instrument.

Overall, visa and diplomatic restrictions should be treated as a necessary component of the political sanctions block of the EU regime against the Russian Federation, with high utility for refusing normalisation, signalling, and managing security risks, but limited autonomous capacity to influence the state's strategic behaviour. Their effectiveness is determined by the quality of harmonisation and implementation, the manageability of exceptions, and the degree of integration with other measures of the sanctions' regime.

2.2.3. Restrictions on Information Influence and Media

2.2.3.1. Legal Instruments and Dates

EU restrictions on information influence and media in relation to the Russian Federation (2022–2025) are built on a hybrid legal architecture combining: (1) CFSP decisions establishing the political framework; (2) Council regulations (directly applicable) operationalising prohibitions, primarily through amendments to Council Regulation (EU) No 833/2014; and (3) listing-based measures (asset freezes/travel bans) where individual propagandists, media managers, or influence operators are designated under the relevant restrictive measures regimes. The media track has been progressively developed from early, high-visibility broadcasting bans (RT/Sputnik) towards a broader set of restrictions addressing additional outlets, distribution chains, and circumvention patterns.

Below is a consolidated register of the key legal instruments and dates to anchor subsection 2.2.3.1. (For transparency and reproducibility, each entry is presented by legal type, date, scope, and operational effect.)

A. Core “broadcasting suspension” framework under Regulation (EU) No 833/2014 (Article 2f)

1. Council Decision (CFSP) 2022/351—initial CFSP decision enabling the broadcasting suspension (1 March 2022)

- Date of adoption: 1 March 2022
- Institution: Council of the European Union
- Type of act: Council Decision (CFSP) (amending decision)
- Function in the architecture: establishes/updates the CFSP framework corresponding to the media-related restrictive measures subsequently operationalised through the directly applicable regulation.
- Operational linkage: paired with Council Regulation (EU) 2022/350 (below), which gives direct effect within EU jurisdiction.

2. Council Regulation (EU) 2022/350—insertion of Article 2f into Regulation (EU) No 833/2014; suspension of RT and Sputnik (1 March 2022; announced 2 March 2022)

- Date of adoption: 1 March 2022 (Council Regulation date as per EUR-Lex)
- Institution: Council of the European Union
- Type of act: Council Regulation (EU) (amending Regulation 833/2014)
- Core legal effect: introduces the prohibition to broadcast and to enable, facilitate or otherwise contribute to broadcasting of content by specified outlets, implemented via Article 2f of Regulation 833/2014 (as amended).
- Initial scope: RT/Russia Today and Sputnik (as defined in the annex to the act), with suspension of relevant licences/authorisations and distribution arrangements.

Methodological note for the register: the Council's public communication (press release) is useful for the political narrative and stated rationale (“disinformation and information manipulation”), but the enforceable obligations flow from the regulation's operative provisions (Article 2f) and its annexes.

B. Extension of the Article 2f ban to additional Russia-controlled outlets (2022–2024)

3. Council Regulation (EU) 2022/879—sixth package amendment to Regulation 833/2014; extension of the broadcasting ban (3 June 2022)

- Date of adoption: 3 June 2022
- Institution: Council of the European Union
- Type of act: Council Regulation (EU) (amending Regulation 833/2014)
- Core effect: expands the media-related restrictions under Regulation 833/2014, including the extension of the Article 2f broadcasting prohibition to additional outlets beyond the initial RT/Sputnik set.

4. Implementing acts operationalising the June 2022 extension (effective from late June 2022)

- Nature of instruments: implementing measures updating the relevant annexes/outlet set under the Article 2f framework; accompanied by Official Journal notices addressed to the listed/banned outlets.
- Illustrative OJ evidence: OJ notice addressed to Rossiya RTR / RTR Planeta, Rossiya 24 / Russia 24, and TV Centre International confirms their inclusion in the Regulation 833/2014 / Decision 2014/512/CFSP framework. *(For drafting discipline, the register should record the precise implementing act number and OJ reference used for the annex update alongside this notice, to avoid conflating the “package date” with the “entry into force” of the updated outlet list.)*

5. Council Regulation (EU) 2023/427—further extension of the broadcasting suspension (25 February 2023)

- Date of adoption: 25 February 2023
- Institution: Council of the European Union
- Type of act: Council Regulation (EU) (amending Regulation 833/2014)
- Core effect: extends the Article 2f broadcasting suspension to additional channels (widely reported in the EU sanctions context as covering further RT/Sputnik variants).

6. Council measures adding further Russia-associated outlets to the broadcasting suspension (2023) — additional amendments and corresponding CFSP acts

- Nature of instruments: subsequent Council amendments to Regulation 833/2014 and paired CFSP acts (where applicable), extending the list of outlets subject to Article 2f.
- Register approach: record each amending regulation/decision with (i) date, (ii) outlet set, and (iii) OJ reference for the annex update. (This is essential for evidentiary reproducibility and later evaluation of enforcement and circumvention.)

7. Council action banning four additional Russia-associated outlets (17 May 2024)

- Date of adoption/announcement: 17 May 2024
- Institution: Council of the European Union
- Instrument type (policy level): Council decision to suspend broadcasting activities in the EU (implemented through the Regulation 833/2014 Article 2f mechanism)
- Outlets named by the Council: Voice of Europe, RIA Novosti, Izvestia, Rossiyskaya Gazeta.
- Practical implication for the register: captures the corresponding legal act(s) in the Official Journal that update the Article 2f outlet list to include these entities (and note package linkage where the Council frames it within a sanctions package context).

C. Media and influence operations addressed through listing-based restrictive measures

8. Listing of influence operators and media-linked entities (example track: “Voice of Europe” and associated actors, 2024)

- Instrument type: individual/entity listings (asset freezes and travel bans) under the relevant EU restrictive measures regimes, distinct from (but complementary to) the Article 2f broadcasting suspension.

- Illustrative basis: EU reporting on sanctions applied to Voice of Europe and associated individuals/entities in 2024 shows the parallel use of listing tools against influence-operation networks.
- Register implication: distinguish clearly between (i) broadcasting/distribution suspension (Article 2f; Regulation 833/2014) and (ii) listings (asset freeze/travel ban regimes), even when the same outlet is affected by both tracks.

2.2.3.2 Objectives and Political Logic

EU restrictions on information influence and media in relation to the Russian Federation are designed as a political, security, and governance instrument within the restrictive-measures framework, rather than as a general-purpose content regulation regime. Their core logic is to reduce the capacity of the Russian state and affiliated structures to project influence through mass communication channels inside the EU, to disrupt the operational infrastructure of information manipulation, and to deny sanctioned outlets access to EU distribution systems. The EU has consistently framed this track as a response to war-related “propaganda” and information manipulation linked to Russia’s aggression against Ukraine, with measures focused on state-controlled or state-aligned outlets and influence operations. The instruments used—most visibly the Article 2f broadcasting/distribution suspension mechanism under Regulation (EU) No 833/2014—are therefore intended to function as a targeted restriction on the ability to broadcast and to be carried by EU-based or EU-directed distribution channels. In policy terms, the measures sit at the intersection of CFSP pressure and societal resilience: they aim to constrain hostile information activity while preserving a legally defensible scope and proportionality. Consequently, effectiveness should be interpreted primarily in terms of reduced reach, reduced amplification, and increased operational friction for influence channels, rather than as a direct coercive lever capable of shifting Russia’s strategic decisions.

A first objective is politico-normative delegitimation of war propaganda and state-sponsored information manipulation as an element of the broader sanctions’ response. By formally suspending the broadcasting activities of named outlets and prohibiting EU actors from facilitating their distribution, the EU translates a political assessment into enforceable restrictions within EU jurisdiction. This serves not only to remove a set of communication channels from the EU media environment, but also to signal that participation in, or facilitation of, certain forms of state-controlled war messaging is treated as incompatible with the EU’s response posture. In this sense, the measure functions as a normative boundary-setting instrument: it delineates a category of outlets that the EU characterises as instruments of the aggressor state’s information strategy. The Council’s communications on the RT/Sputnik measures and later outlet additions are explicit in presenting this as a sanctions response to disinformation and propaganda linked to the war. This objective is particularly relevant for sustaining coalition coherence: a public, legally codified stance reduces ambiguity and standardises expectations across Member States and private intermediaries.

A second objective is operational denial of distribution infrastructure, i.e., reducing the availability of EU-based transmission and amplification pathways. The Article 2f design does not primarily target audiences directly; it targets the ability of outlets to operate via satellite, cable, IPTV, platforms, and related distribution arrangements within the EU or directed at EU audiences. The political logic here is infrastructural: modern influence operations depend on carriage, amplification, and monetisation chains, many of which are mediated by EU-regulated entities and EU-based providers. By imposing a prohibition on broadcasting and on facilitating broadcasting, the EU seeks to interrupt the supply chain of dissemination rather than relying solely on counter-messaging or voluntary platform governance. In governance terms, this is a pragmatic choice: infrastructure restrictions are often easier to specify, audit, and enforce than attempts to regulate content itself. The Commission’s explanatory material stresses that the measures concern “broadcasting activities” and their facilitation, indicating an intention to frame the intervention as a sanctions’ compliance obligation for operators rather than as a direct speech restriction. The operational objective is therefore to reduce reach by constraining carriage and distribution, not to police individual narratives item by item.

A third objective is reduction of amplification and secondary distribution, including by preventing EU actors from providing enabling services that sustain the visibility of sanctioned outlets. The legal design explicitly addresses facilitation and contribution to broadcasting, which is intended to cover a range of technical and commercial behaviours that would otherwise keep the outlets accessible and discoverable. In policy logic, this is essential because modern media influence is rarely limited to linear broadcasting; it relies on re-uploads, mirroring, platform embedding, and indirect circulation through a dense ecosystem of intermediaries. The EU's approach therefore seeks to shift the default position of EU operators from passive carriage to active non-facilitation, making continued distribution a compliance risk rather than a neutral commercial decision. This is also a coalition-management tool: it standardises a minimum baseline of refusal obligations across Member States and operators, limiting discretionary divergence. However, because the environment is technologically adaptive, the objective is best described as raising friction and reducing scale rather than achieving absolute exclusion. Accordingly, an appropriate metric of effectiveness is typically a measurable reduction in mainstream distribution, not the elimination of all access paths.

A fourth objective is societal resilience and protection of the democratic public sphere, particularly under conditions of heightened geopolitical conflict. The EU's political logic treats hostile information influence as a component of hybrid pressure that can weaken public trust, polarise societies, and erode consensus around support for Ukraine and EU policy. In that logic, restricting state-controlled war-propaganda outlets is framed as a defensive measure to protect the integrity of public communication and reduce the penetration of coordinated manipulation. This objective is not limited to wartime messaging; it also relates to broader patterns of information operations aimed at undermining EU institutions and Member State cohesion. The inclusion of additional outlets over time is consistent with a resilience logic: as the influence ecosystem changes, the sanctions architecture is adjusted to maintain relevance. The Council's 2024 decision to ban additional Russia-associated outlets explicitly frames these measures as part of countering Russia's influence operations connected to the war. Thus, the political logic ties media restrictions to a broader security posture, while still relying on the restrictive-measures legal basis rather than emergency speech regulation.

A fifth objective is anti-circumvention and adaptation management, reflecting a shift from "closing channels" to "closing the routes by which channels reappear". The iterative expansion of the banned outlet set and the reinforcement of facilitation prohibitions indicate recognition that information influence operations adapt through rebranding, mirroring, and proxy distribution. Consequently, the policy logic increasingly resembles sanctions engineering: identify the new nodes in the dissemination network and bring them within the scope of Article 2f or complementary tools. Where the broadcasting ban is paired with listing measures against influence operators and associated entities, the EU aims to address not only the outlet as a label but also the organisational infrastructure that finances, manages, and coordinates the influence activity. This is visible in the EU's public discussion around "Voice of Europe" and associated actors, where the media ban logic and the network-disruption logic converge. In practical terms, this objective requires continuous monitoring and rapid legal updates; otherwise, the compliance perimeter lags behind operational adaptation.

A sixth objective is complementarity with other sanctions tracks, particularly where information influence supports sanctions evasion, mobilisation, or legitimisation of prohibited conduct. Disinformation and propaganda can facilitate circumvention by normalising grey-market trade, advertising circumvention services, or shaping risk perceptions among intermediaries and third-country partners. The EU's media restrictions are therefore not only about audience exposure; they can also be interpreted as an attempt to weaken the informational scaffolding that sustains a broader sanctions-evasion ecosystem. In this logic, restricting media channels is part of making the overall sanctions regime more "closed" by limiting the reach of messaging that supports or coordinates hostile activity. This complementarity also matters internally: the EU can demonstrate that its sanctions regime addresses both material and informational dimensions of the conflict. It further enhances deterrence by increasing reputational and compliance risk for operators considering facilitation of sanctioned outlets.

Consequently, the political logic is cumulative: media restrictions amplify the effectiveness of other measures by reducing the informational capacity of sanctioned networks.

A seventh objective is coalition signalling and international standard-setting, both within the EU and vis-à-vis partners and third countries. The media track is highly visible and therefore serves as a strong indicator of political resolve and the EU's interpretation of the conflict as involving not only military and economic domains but also the information domain. By codifying restrictions in enforceable legal acts, the EU sends a signal that information influence operations are treated as sanctionable behaviour when tied to aggression and destabilisation. This can encourage alignment by partners and can also shape private-sector behaviour globally, since large platforms and service providers often operate across jurisdictions and may internalise EU requirements as part of global compliance standards. At the same time, because media restrictions intersect with sensitive questions of freedom of expression, the EU's political logic is to maintain a legal framing that emphasises state control and war propaganda, thereby supporting proportionality and defensibility. The Commission's explanatory materials and the Council's communications typically stress the state-controlled character of the outlets and the war context, which supports this standard-setting intent. Thus, signalling is both outward-facing (to Russia and third countries) and inward-facing (to Member States and EU operators), reinforcing a unified governance posture.

Finally, the objectives and political logic of EU media restrictions can be summarised as: (1) delegitimation of war propaganda and information manipulation; (2) denial of distribution infrastructure; (3) reduction of amplification; (4) strengthening societal resilience; (5) anti-circumvention and network disruption; (6) complementarity with the broader sanctions' regime; and (7) coalition signalling/standard-setting. These objectives imply a specific evaluative frame: the measures should primarily be judged by the degree to which they reduce reach and operational capacity within the EU information environment, and by how effectively they are integrated with compliance and anti-circumvention practice. They should not be judged solely by whether they produce immediate strategic change in Russia's state behaviour, which is not the instrument's plausible autonomous mechanism.

2.2.3.3 Advantages

EU restrictions on information influence and media have a distinct set of advantages as a sanctions instrument because they operate through high-leverage distribution infrastructure and can therefore produce measurable effects on reach and amplification without relying solely on long, indirect economic transmission channels. In the EU sanctions architecture against the Russian Federation, this block has also proven highly adaptive: it began with a narrow set of high-profile state outlets and then expanded to additional Russia-associated media and influence vehicles as the conflict evolved. The instrument is particularly valuable in a long-duration conflict because it supports the sanctions regime's political narrative, limits the operational space for hostile information activity within the EU, and increases compliance costs for intermediaries that would otherwise continue to carry or amplify sanctioned content. While media restrictions are not a substitute for economic and financial measures, they function as an infrastructural force multiplier: by curtailing propaganda distribution and related influence operations, they reduce the informational capacity that sustains mobilisation, legitimisation, and parts of the circumvention ecosystem. In that sense, the advantages of this block should be assessed not only as "communication effects", but as operational and governance effects realised through enforceable prohibitions.

The first advantage is high politico-normative clarity. By identifying specific outlets as subject to broadcasting suspension and by prohibiting EU actors from facilitating their distribution, the EU converts political assessment into explicit legal obligations. This clarity matters for sanctions governance: it reduces interpretative ambiguity for operators and Member States, standardises compliance expectations, and anchors the EU's position in a form that is both public and enforceable. It also strengthens coalition cohesion by providing a common baseline for what is considered unacceptable information influence activity in the EU context. Because the measures are framed within the CFSP

restrictive-measures logic—targeting state-controlled or state-aligned war propaganda—the EU can maintain a defensible narrative of proportionality and purpose. In practice, this clarity also has a reputational effect: it publicly delineates a boundary between legitimate media pluralism and state-directed war messaging treated as part of hostile activity. As a result, the media track provides a coherent “sanctions language” for the information domain and supports continuity across packages.

The second advantage is infrastructural leverage and speed of effect. A distribution suspension under Article 2f works by removing or constraining access to carriage, transmission, and platform pathways. When implemented effectively, it can reduce mainstream reach rapidly—often more quickly than sectoral sanctions, which require time to propagate through supply chains and financial constraints. This is especially relevant in an acute phase of conflict, when the EU seeks to reduce the immediate visibility of war propaganda and disinformation inside its information space. The measure’s infrastructural character also means it can be more easily translated into operational rules for carriers and platforms than attempts to regulate content on a case-by-case basis. In other words, it replaces continuous editorial judgements with a compliance obligation not to distribute specified outlets, which is typically simpler to audit. Consequently, the EU can achieve a relatively high “reach reduction per unit of legal complexity” compared with more granular content governance approaches.

The third advantage is governance efficiency through intermediary obligations. The legal design targets not only the outlets, but also the ecosystem of facilitators—operators, carriers, platforms, and service providers—by prohibiting enabling or facilitating broadcasting. This creates a compliance-driven cascade: once the obligation is in place, private intermediaries internalise it as a risk and adjust distribution practices accordingly. For sanctions governance, this is powerful because enforcement does not rely solely on state monitoring of content; it is partly delegated to private compliance functions, which are often faster and more scalable. This also reduces the reliance on constant public enforcement actions: the compliance system itself becomes a stabiliser of the restriction. Furthermore, by standardising intermediary obligations across the EU, the regime reduces the likelihood that distribution simply shifts to a less strict Member State. This contributes to the integrity of the EU information space as a regulatory unit and increases the overall density of the restriction.

The fourth advantage is direct contribution to societal resilience. Restricting state-controlled propaganda outlets reduces the volume and legitimacy of coordinated war messaging circulating in mainstream EU channels. Even where audiences can still access content through technical workarounds, the measures can reduce algorithmic amplification, reduce incidental exposure, and limit the ability of state-linked outlets to normalise or mainstream particular narratives. In policy terms, this supports democratic resilience by limiting an organised external actor’s ability to exploit the openness of the EU media environment during a period of security crisis. Importantly, because the measures are framed as restrictions on specific state-linked outlets rather than broad speech controls, the EU can align this resilience objective with a more targeted legal posture. The advantage here is therefore not only reduced reach, but also reduced “institutional legitimacy” of the outlet in the EU information ecosystem: the outlet is no longer treated as a normal market participant in broadcasting and distribution.

The fifth advantage is anti-circumvention learning and scalability. The iterative expansion of the banned outlet list indicates that the EU can adapt the scope of the measure as new influence vehicles emerge or as existing outlets rebrand and migrate. In sanctions engineering terms, this is a benefit: the tool is not frozen at the initial list but can be extended to maintain relevance. Where the EU combines the broadcasting suspension with listing measures against influence operators or affiliated entities, the instrument becomes more network-oriented, addressing not only labels but also organisational infrastructure. This improves the probability of durable effect by raising the costs of adaptation and by reducing the number of viable substitution pathways. In practical terms, the EU can progressively move from a narrow “channel closure” approach to a broader “distribution and support chain” disruption approach, increasing effectiveness over time.

The sixth advantage is complementarity with other sanctions and enforcement tracks. Media restrictions can reinforce financial, trade, and anti-circumvention measures by weakening the informational scaffolding that facilitates evasion and legitimisation. They can reduce advertising and reputational opportunities for sanctioned networks, complicate recruitment and coordination, and reduce the capacity to shape narratives that encourage compliance avoidance or social acceptance of sanctions evasion. This complementarity is particularly relevant where sanctions enforcement depends on social and institutional behaviour: if hostile media influence reduces trust in sanctions or promotes workarounds, weakening that influence can indirectly improve compliance and reduce leakage. In this sense, the media block contributes to the closure and coherence of the overall sanctions' regime, even though it does not directly remove financial resources in the manner of asset freezes or export bans.

The seventh advantage is strong signalling and international standard-setting potential. Because media restrictions are visible and politically salient, they demonstrate that the EU treats information influence as a sanction-relevant domain in the context of aggression and destabilisation. This can encourage alignment by partners and shape behaviour of global platforms and service providers, which often operationalise compliance globally to simplify risk management. The EU's approach also sets a precedent for treating state-controlled war propaganda outlets as part of hostile activity, rather than as ordinary media actors. In coalition terms, this strengthens the perception of a comprehensive response encompassing military, economic, and informational dimensions. The advantage is therefore both external (signalling to Russia and third countries) and internal (reinforcing the EU's narrative of resilience and legality).

Finally, the advantages of EU media restrictions in relation to the Russian Federation can be summarised as: (1) political-normative clarity; (2) infrastructural leverage and rapid reach reduction; (3) governance efficiency via intermediary compliance obligations; (4) direct contribution to societal resilience; (5) adaptability and scalability in anti-circumvention terms; (6) complementarity with other sanctions; and (7) strong signalling/standard-setting capacity.

2.2.3.4 Limitations and Implementation Problems

Notwithstanding the operational and governance advantages of EU restrictions on information influence and media, their real-world effectiveness is constrained by a set of persistent limitations that are structural, technical, legal, and political in nature. In contrast to financial or trade sanctions, which primarily operate through material constraints on resources and transactions, media restrictions operate through information distribution systems, which are intrinsically adaptive and comparatively easy to reroute. As a result, the relevant benchmark is rarely "complete exclusion", but rather sustained reduction of mainstream reach and amplification, together with increased costs of circumvention. For a critical assessment, it is therefore essential to treat the limitations of this block as design and implementation constraints that shape the measure's effective operating range, rather than as proof of its irrelevance. In the Russian case, the problem-space is amplified by the scale and sophistication of state-aligned information operations and by the transnational nature of digital distribution. Consequently, this subsection identifies the main constraints that reduce the marginal returns of media restrictions unless they are continuously recalibrated and integrated with anti-circumvention governance.

The first limitation is technical circumvention and rapid adaptation. Broadcasting suspension measures can be bypassed through mirrors, rebranding, proxy channels, domain migration, VPN use, and migration to platforms and hosting outside EU reach. Even where linear broadcasting and EU-based carriage are constrained, content can reappear through social media reposts, messaging channels, and alternative streaming infrastructures. This is a structural feature of the information domain: distribution can be replicated at low marginal cost, and audiences can be redirected via links and new accounts. Consequently, the measure is most effective against mainstream, regulated distribution, but less effective against decentralised re-distribution. In practice, this means that the immediate drop in visibility after a ban may be partially offset over time by adaptation, unless the EU continuously updates

the scope of outlets and addresses facilitation routes. Therefore, the principal operational constraint is not that bans “do not work”, but that they have a high decay rate unless accompanied by active anti-circumvention maintenance.

The second limitation is fragmentation of implementation and uneven responsiveness among intermediaries. The Article 2f mechanism relies heavily on the compliance behaviour of carriers, platforms, and service providers. In practice, implementation speed and completeness can vary across Member States and across private operators, depending on legal interpretation, operational capacity, commercial incentives, and risk tolerance. Differences in national enforcement intensity and in platform response can create uneven application, with content remaining accessible through particular providers or jurisdictions for longer. This weakens the deterrent effect and encourages circumvention strategies that exploit “soft spots” in the enforcement landscape. Moreover, the rapid pace of digital distribution means that even short delays in takedown or de-platforming can preserve significant reach during high-attention moments. Consequently, a key implementation problem is the alignment of operator compliance with the EU’s intended tempo and coverage of restrictions.

The third limitation concerns legal constraints and proportionality challenges, particularly in relation to freedom of expression and information. Although the EU frames the measures as targeted restrictions on state-controlled propaganda outlets linked to war and destabilisation, the measures still operate in a sensitive domain and must remain legally defensible. This creates a structural tension: a broader scope increases operational effect but increases legal and reputational risk; a narrower scope strengthens legal defensibility but may leave significant influence capacity intact. In addition, legal certainty matters: intermediaries require clear definitions of what constitutes prohibited “broadcasting” and prohibited “facilitation”, especially in a digital environment where boundaries between broadcasting, hosting, and user sharing can be blurred. If legal definitions are perceived as ambiguous, operators may under-comply (to avoid overblocking) or over-comply (to avoid risk), both of which generate governance costs. Consequently, the effectiveness of the measure is bounded by the need to maintain a legally robust, proportionate and clearly defined scope, which limits the speed and breadth with which the EU can expand the restrictions.

The fourth limitation is audience displacement and the “ecosystem shift” problem. Restricting specific outlets can lead audiences to migrate to alternative channels, including “grey” outlets, fringe platforms, or closed messaging ecosystems. This can reduce the utility of bans in terms of reducing exposure among highly motivated audiences, while potentially increasing polarisation by moving consumption into less moderated environments. In that sense, the measure may be more effective in reducing incidental exposure and mainstream amplification than in reducing consumption by core audiences. This is not a reason to abandon the measure, but it affects the expected mechanism: the realistic outcome is often a shift from mainstream distribution to peripheral distribution, rather than disappearance. Consequently, the evaluation model must distinguish between mainstream reach reduction and hard-core audience persistence, and must recognise that the measure may change the shape of the information ecosystem rather than eliminate influence.

The fifth limitation is the attribution and measurement problem. It is difficult to isolate the effect of media restrictions from other drivers of audience behaviour, including platform algorithm changes, broader wartime attention cycles, domestic policies within Russia, and other sanctions measures. Data availability is also uneven: granular metrics on reach, engagement, and monetisation are often proprietary to platforms, and cross-country comparability is limited. As a result, effectiveness assessment can become overly reliant on anecdotal evidence or on coarse proxies (e.g., whether a channel is “accessible” in a given Member State) rather than on systematic measurement. This limits the ability of the EU and analysts to demonstrate effectiveness credibly and can weaken political sustainability. Consequently, an implementation problem is the absence of a consistent measurement framework and shared indicators, which reduces learning and makes recalibration more reactive than strategic.

The sixth limitation is counterproductive narrative risk, including the potential for the measures to be framed as “censorship” and used for mobilisation and propaganda inside Russia and in some third-country information spaces. Because the measure operates in a sensitive domain, adversarial actors can reframe it as an attack on free speech and media pluralism, thereby undermining the EU’s normative narrative and potentially strengthening anti-EU sentiment. This risk is particularly acute where measures are communicated without sufficient emphasis on state control, war-propaganda function, and the legal basis in restrictive measures. The counter-narrative risk does not negate the operational rationale, but it does impose a governance requirement: the EU must maintain a disciplined communications approach and clear justification to preserve legitimacy. Consequently, the measure’s effectiveness is partly dependent on the coalition’s ability to manage reputational and informational blowback.

The seventh limitation is limited reach beyond EU jurisdiction and the third-country problem. Even if EU distribution is constrained, Russian state media and influence operations can continue to operate globally, including in third countries and via non-EU platforms and infrastructures. Because information ecosystems are transnational, continued global dissemination can feed back into EU audiences through diaspora networks, imported content, or cross-platform circulation. This means that the EU can reduce the internal distribution infrastructure but cannot fully neutralise external influence capacity unless partners align or unless platforms apply global compliance standards. Consequently, the effectiveness of the EU’s media restrictions is bounded by international coordination and by the global footprint of major platforms. In the absence of broad alignment, the measure risks pushing influence activity outward rather than eliminating it.

The eighth limitation is the risk of regulatory and enforcement overload. Maintaining an effective media restriction regime requires continuous monitoring of new outlets, mirror sites, proxies, and rebrands; rapid legal updates; and sustained enforcement coordination with private intermediaries. This can create capacity constraints and compliance fatigue, particularly as the list of restricted outlets grows. Without prioritisation and a clear typology of targets (high-impact distribution nodes versus symbolic targets), the regime may experience diminishing returns and “list inflation”. Moreover, heavy reliance on private intermediaries can produce inconsistent outcomes if compliance teams treat the measure as one risk among many and prioritise other obligations. Consequently, capacity and prioritisation are structural constraints: the regime can remain effective only if it is managed as a continuously maintained system rather than as a one-off ban.

Finally, the limitations and implementation problems of EU media restrictions can be summarised as follows: (1) high circumvention and adaptation capacity; (2) fragmented implementation and uneven intermediary responsiveness; (3) legal proportionality and definitional challenges; (4) audience displacement into alternative ecosystems; (5) attribution and measurement constraints; (6) counterproductive narrative risk; (7) limited reach beyond EU jurisdiction; and capacity constraints that increase the risk of enforcement overload and diminishing returns.

2.2.3.5 Prospects of Effectiveness (2026–2027)

The prospects for the effectiveness of EU restrictions on information influence and media in 2026–2027 should be assessed as conditional and capability-dependent. By late 2025 the EU had already moved beyond an initial, high-visibility ban focused on RT/Sputnik towards a broader, iterative approach covering additional Russia-associated outlets and, in selected cases, related influence-operation networks. The central question for 2026–2027 is therefore not whether the EU “can” ban further outlets as a formal matter, but whether it can sustain a high-tempo, high-precision governance cycle that keeps the compliance perimeter aligned with a rapidly adapting information ecosystem. In practical terms, the marginal effectiveness of this block will increasingly depend on: (1) the speed and quality of anti-circumvention updates; (2) harmonised implementation by Member States and intermediaries; (3) integration with listing tools and broader sanctions enforcement; and (4) credible measurement and communication of effects. Consequently, the most realistic pathway to increased effectiveness is not

an extensive expansion of bans alone, but a shift towards a more “supply-chain” approach to distribution and monetisation disruption, with robust legal defensibility.

A first forward-looking conclusion is that the political-signalling and resilience functions will remain robust, provided the EU continues to frame these measures as targeted action against state-controlled war propaganda and coordinated information manipulation. In the context of a protracted conflict, maintaining an institutional posture that treats hostile information influence as sanction-relevant behaviour is likely to remain politically valuable. This yields a durable “refusal of normalisation” effect in the information domain, complementing the visa and diplomatic track and reinforcing the broader sanctions narrative. Even where technical circumvention persists, the public and institutional fact of restrictions continues to shape intermediary behaviour, partner alignment, and domestic expectations within Member States. Consequently, the EU’s ability to maintain a stable normative rationale—state control, war propaganda function, and destabilisation purpose—will be a core determinant of coalition sustainability and legal defensibility in 2026–2027.

A second forward-looking conclusion is that operational effectiveness can increase primarily through faster anti-circumvention cycles. The largest structural weakness of media restrictions is adaptation: rebranding, mirroring, domain rotation, and migration to new distribution routes. If the EU reduces the time lag between identification of circumvention patterns and legal/operational response, the decay rate of effectiveness decreases. In practice, this means improving the pipeline from monitoring (intelligence, regulatory, and open-source) to formal updates of the restricted outlet set and related measures. A higher-tempo update model also requires better typology: prioritising high-impact distribution nodes and monetisation pathways rather than focusing mainly on symbolic targets. In 2026–2027, effectiveness is therefore likely to increase where the EU adopts a structured “iterative closure” model: rapid addition of new proxies and mirrors, combined with clear obligations for intermediaries to prevent re-appearance within defined parameters. The more the regime resembles continuous sanctions engineering, the more durable its effect.

A third conclusion is that integration with a broader “distribution and monetisation supply chain” approach will be decisive. A pure broadcasting ban reduces mainstream carriage, but modern influence operations depend on layered infrastructures: hosting, content delivery networks, platform accounts, advertising and monetisation tools, payment services, and sometimes third-country intermediaries. In 2026–2027, the EU can increase effectiveness by targeting not only the outlet label but also the supporting service ecosystem, using a combination of: (1) Article 2f restrictions; (2) services restrictions under the broader 833/2014 framework where relevant; and (3) listings against entities and individuals who coordinate influence operations. Such integration would raise the cost of sustaining a persistent influence footprint and would reduce substitution opportunities. It also has the advantage of being more compatible with compliance systems: platforms and service providers can operationalise restrictions not only as “do not carry channel X”, but as “do not provide enabling services to network Y”. Consequently, the prospects for increased effectiveness are stronger where the EU shifts from a channel-centric to a network-and-services-centric targeting model.

A fourth conclusion is that harmonised and timely intermediary implementation will be a critical limiter or multiplier. Because the measures are enforced largely through private carriers and platforms, the EU’s practical influence depends on the consistency, speed, and completeness of intermediary compliance. In 2026–2027, greater effectiveness is more likely if the EU achieves: (1) clearer compliance guidance; (2) faster notification procedures; (3) standardised expectations across Member States; and (4) enforcement signals that reduce strategic ambiguity for intermediaries. Without such harmonisation, the regime remains vulnerable to “soft spots” and uneven take-up, which provides exploitable gaps for circumvention. The EU’s capacity to coordinate Member State regulators and to engage systematically with major intermediaries therefore becomes a central determinant of operational outcomes.

A fifth conclusion concerns measurement and evidentiary credibility. In 2026–2027, the political sustainability of the media restrictions track will depend increasingly on whether the EU and the

analytical community can credibly demonstrate intermediate effects—reach reduction, reduced amplification, reduced availability on mainstream carriers, and reduced monetisation—rather than relying on binary claims that outlets are “banned”. A shared metrics framework (traffic, platform availability, engagement proxies, advertising footprint, and network diffusion indicators) would improve both internal learning and external communication. It would also help prioritise targets by impact and reduce the risk of list inflation. In the absence of better metrics, the regime may be criticised as either ineffective (because content still exists via workarounds) or disproportionate (because the effect is not demonstrably linked to security objectives). Consequently, measurement capacity is a core condition for increased effectiveness, not merely an analytical add-on.

A sixth conclusion is that legal defensibility will remain a binding constraint. The more the EU expands the scope of media restrictions, the greater the need for precise framing, evidence of state control or instrumentalisation, and proportionality. In 2026–2027, effectiveness gains will be higher where the EU improves the evidentiary basis for each extension and maintains clear definitions of prohibited facilitation and distribution. This reduces litigation risk and prevents undermining of the regime through partial judicial setbacks. It also supports coalition stability by reducing political controversy within Member States. Consequently, a quality-over-quantity approach to legal justification can increase durability and therefore effectiveness over time.

A seventh conclusion is that the risk of counterproductive narrative effects will persist, but can be managed through disciplined communication and targeted design. In a contested information environment, measures will continue to be framed by adversarial actors as “censorship”. In 2026–2027, the EU can reduce this risk by maintaining a clear narrative: the measures target state-controlled war propaganda channels used as instruments of aggression and destabilisation, not pluralistic journalism. Pairing restrictions with transparency about legal bases and with public evidence where possible can strengthen legitimacy. More targeted, risk-based expansion—rather than broad, ambiguous categories—also reduces reputational blowback. Consequently, the prospects of effectiveness improve where governance minimises communication vulnerabilities while preserving operational impact.

Finally, the most realistic 2026–2027 trajectory is selective strengthening through anti-circumvention engineering, rather than a simple expansion of bans in isolation. If the EU sustains fast update cycles, improves intermediary harmonisation, integrates network and services targeting, and develops credible metrics, the media restrictions block can deliver durable reductions in mainstream reach and amplification, raise the cost of influence operations, and strengthen the resilience of the EU information space. At the same time, it is not realistic to expect complete elimination of hostile content in a globally networked environment. The plausible objective is to constrain scale, legitimacy, and operational efficiency within EU jurisdiction.

2.2.3.6 Conclusion

EU restrictions on information influence and media in relation to the Russian Federation in 2022–2025 should be classified as a structurally important “infrastructural” component of the political sanctions block, operating at the intersection of restrictive measures and hybrid-security governance. Their core contribution lies not in direct strategic coercion of the Russian state, but in reducing the capacity of state-controlled or state-aligned outlets and influence operations to exploit EU distribution systems, mainstream amplification, and institutional legitimacy within the European information space. In that sense, the media track functions as a high-visibility and high-leverage instrument of sanctions governance: it codifies the EU’s refusal to treat hostile war propaganda as ordinary media activity and translates this position into enforceable obligations for intermediaries. The realistic benchmark for assessing effectiveness is therefore reduced mainstream reach and amplification, increased operational friction and costs of circumvention, and strengthened resilience of the EU public sphere—rather than an expectation of immediate behavioural change by the Russian leadership. This framing is essential for a balanced critical assessment: it avoids both overclaiming and underestimating the instrument’s utility.

The first overall conclusion is that the media restrictions block demonstrates high politico-normative value and coalition-signalling effectiveness. By naming outlets and prohibiting facilitation of their distribution, the EU sets a clear normative boundary and sustains a coherent public narrative that information influence is part of the aggression and destabilisation toolkit. This signal operates both externally (towards Russia and third countries) and internally (towards Member States, regulators, platforms, and carriers). It also has a governance effect: compliance obligations standardise behaviour of intermediaries, reducing discretionary divergence and supporting the integrity of the EU information space. Consequently, in the political sanctions architecture the media track performs a function similar to the visa block: it institutionalises a refusal of normalisation in a domain that is highly visible and symbolically important, thereby reinforcing coalition durability over time.

The second overall conclusion is that the media restrictions block has meaningful operational effect, but with a high adaptation-driven decay rate unless continuously maintained. The principal mechanism of impact is infrastructural denial: removal from regulated carriage and mainstream distribution. This can produce rapid reductions in availability and incidental exposure within the EU, especially when intermediaries implement promptly. However, the information environment is structurally prone to circumvention through mirrors, rebrands, proxies, and migration to alternative platforms and closed channels. Consequently, the long-term effectiveness of the block depends on continuous anti-circumvention governance: monitoring, rapid updates, prioritisation of high-impact nodes, and integration with broader enforcement tools. Without such maintenance, the regime risks “list inflation” and diminishing marginal returns, where new bans provide primarily symbolic effects but limited additional operational impact.

The third overall conclusion is that implementation quality is a decisive determinant of results. Because enforcement relies heavily on private intermediaries (carriers, platforms, hosting and distribution services) and on Member State-level implementation, uneven responsiveness and fragmentation can undermine the regime’s density. Conversely, harmonised guidance, consistent enforcement signals, and coordinated procedures can materially increase effectiveness by reducing “soft spots” and shortening response lags. This feature distinguishes media restrictions from some other sanctions instruments: their impact is less a function of formal legal adoption alone and more a function of the EU’s ability to orchestrate a high-tempo compliance ecosystem. Therefore, the measure’s effectiveness should be assessed not only by the existence of legal acts, but by the practical governance capacity to keep implementation aligned across the EU’s multi-level system.

The fourth overall conclusion is that legal defensibility and proportionality constraints are not incidental, but constitutive conditions of sustainability. Media restrictions operate in a sensitive domain and are vulnerable to “censorship” framing; accordingly, the EU’s ability to maintain legitimacy depends on a disciplined legal and communications posture that emphasises state control, war-propaganda function, and security rationale. Where this posture is robust—supported by evidence, precise definitions, and a targeted scope—the instrument is more likely to remain durable and to withstand legal and political contestation. Where scope expands without clear evidence or where obligations become ambiguous, litigation and reputational risks increase, which can weaken coalition cohesion and reduce operational compliance. Consequently, the most effective trajectory is not maximalist expansion, but selective, evidence-based extension coupled with clear compliance guidance.

The fifth overall conclusion is that, for 2026–2027, the most realistic pathway to stronger effectiveness is a shift from channel-centric bans towards network-and-supply-chain disruption. This means pairing Article 2f distribution suspensions with measures that address enabling services and organisational infrastructure, including—where warranted—listing tools against influence operators and entities, and tighter anti-circumvention cycles against rebrands and proxies. It also requires credible measurement: without shared indicators (reach, availability, engagement proxies, monetisation signals, and diffusion patterns), the regime cannot be prioritised effectively and will be vulnerable to both “ineffective” and “disproportionate” critiques. In this sense, the future effectiveness of the media track is contingent on the EU’s capacity to treat it as a managed system rather than a one-off set of bans.

Overall, the EU’s restrictions on information influence and media should be treated as a necessary and high-utility component of the political sanctions block against the Russian Federation, delivering strong signalling and meaningful reductions in mainstream distribution within EU jurisdiction, but subject to clear limits due to technical circumvention, implementation fragmentation, and legal proportionality constraints. Their enduring value lies in strengthening the resilience of the EU information environment and increasing the cost and friction of hostile influence operations, thereby reinforcing the cumulative effectiveness of the broader sanctions’ architecture.

2.3. Prospects for Continuing Political Sanctions (2026–2030)

2.3.1. Purpose and Scope of the 2026–2030 Outlook

This subsection defines the purpose, analytical scope, and evaluative assumptions for the 2026–2030 outlook on the continuation of EU political sanctions in relation to the Russian Federation. In the present report, “prospectiveness” is treated as conditional effectiveness over time: the extent to which political sanctions can remain operationally implementable, legally robust, coalition-manageable, and strategically useful under plausible future conditions. The focus is therefore not on a binary judgement of whether political sanctions “work” in an absolute sense, but on whether they can continue to deliver their core functions—delegitimation, institutional constraint, coalition signalling, and risk-management—at an acceptable cost and with controllable side effects. This framing is particularly important because political sanctions, unlike some sectoral economic measures, often generate their most meaningful effects through cumulative governance mechanisms rather than through immediate material shocks. Accordingly, the time horizon 2026–2030 is assessed as a multi-year policy cycle in which sustainability, enforceability, and adaptability are decisive variables. The purpose of this outlook is to establish a disciplined basis for subsequent recommendations on calibration: when continuation is valuable, when refinement is necessary, and which implementation capacities must be protected in order to preserve effectiveness.

The scope of 2.3 is limited to the political sanctions’ domain, understood in the applied sense used throughout Part 2: (1) individual restrictive measures (listings), (2) visa and diplomatic restrictions, and (3) restrictions on information influence and media. These instruments are analysed as a coherent political track, even where their legal bases differ (CFSP decisions, regulations under restrictive measures, visa-law instruments, and provisions embedded in sectoral sanctions regulation). The outlook does not re-litigate the full descriptive inventory of measures already set out in 2.2; instead, it synthesises the key design and implementation findings from that inventory to determine what is likely to remain effective and what is likely to degrade over time. In practical terms, the 2026–2030 outlook is concerned with the policy “operating range” of political sanctions: where they deliver reliable value, where marginal returns diminish, and where systemic constraints—legal, institutional, or geopolitical—set hard limits on what can be achieved.

Methodologically, the outlook proceeds from three working assumptions that shape the boundaries of analysis. First, political sanctions are not treated as an autonomous mechanism capable of producing a predictable strategic reversal by the Russian state; rather, they are treated as instruments of constrained coercion with high governance utility, whose principal effects occur through delegitimation, restriction of international manoeuvrability, and the densification of the compliance environment. Secondly, the analysis assumes that the Russian state and affiliated networks will remain adaptive, and that circumvention and substitution pressures will therefore persist; effectiveness is thus interpreted as the ability to maintain pressure under adaptation, not as the elimination of hostile capacity. Thirdly, the analysis assumes that EU policy will continue to operate under constraints of legality and proportionality. Therefore, the durability of political sanctions depends as much on evidentiary quality,

defensibility, and coalition legitimacy as on the formal scope of restrictions. These assumptions are not normative preferences. They are analytical constraints derived from the structural characteristics of the instruments assessed in 2.2 and from the institutional nature of EU sanctions governance.

In terms of outputs, the 2026–2030 outlook is designed to support four downstream tasks in the report. It provides (1) a scenario-aware mapping of which political sanctions functions remain strategically relevant, (2) a set of risk conditions under which continuation becomes more or less prospectively valuable, (3) an implementation lens identifying the capacities that must be strengthened to prevent effectiveness decay, and (4) a criteria base for escalation or conditional adjustment in later sections. In other words, the outlook is not a standalone forecast; it is a policy-evaluation scaffold that enables the report to move from retrospective assessment to forward-looking calibration.

2.3.2. Strategic Functions to Be Preserved

The 2026–2030 prospectiveness of EU political sanctions depends on whether they continue to deliver a set of strategic functions that remain valuable regardless of short-term coercive outcomes. Political sanctions are most defensible and most operationally useful when they are understood as governance instruments that shape the international environment in which the Russian state and its associated networks operate, rather than as standalone levers expected to produce immediate policy reversal. The core question for this subsection is therefore which functions should be preserved as “non-negotiable outputs” of the political sanctions track, and which functions are inherently contingent on context. In the case of Russia, the persistence of the war-related security context, the scale of state capacity, and the adaptive character of circumvention networks mean that political sanctions will remain most valuable where they maintain a durable framework of delegitimation, institutional constraint, and compliance-driven friction. Preserving these functions is also essential for coalition sustainability: it provides a stable rationale for continuation even when direct behavioural change is not observed.

A first strategic function to preserve is political-normative delegitimation. Political sanctions translate a sustained assessment—war of aggression, destabilisation, and hostile information activity—into institutionalised restrictions that deny the Russian state and its key enabling actors the status of “ordinary” participants in EU-adjacent political, economic, and informational environments. Delegitimation matters because it is cumulative and durable: it reduces the scope for routine normalisation, raises the reputational and political cost of engagement for third actors, and anchors the coalition’s narrative in legally enforceable acts rather than in declaratory statements alone. This function is performed across the political sanctions’ toolkit: listings mark individuals and entities as sanctions-relevant actors; visa and diplomatic restrictions remove facilitated access as a privilege; media restrictions formalise the EU’s refusal to treat state-controlled war propaganda as normal broadcasting activity. The utility of this function does not depend on immediate coercive outcomes; it depends on institutional consistency over time. Consequently, delegitimation is a strategic function to preserve because it underpins both internal coalition coherence and external predictability of the EU’s response posture.

A second function to preserve is institutional constraint on manoeuvrability, particularly for the networks that enable decision-making, funding, influence, and circumvention. Political sanctions are often most effective where they reduce the flexibility of the Russian state and its associated actors to operate across jurisdictions, to maintain privileged access channels, and to rely on low-friction intermediaries. Listings constrain access to assets and raise compliance barriers; visa and diplomatic restrictions reduce mobility and raise procedural burdens; media restrictions constrain distribution channels and reduce the capacity for mainstream amplification. In a long-duration conflict, this function becomes strategically central because it operates through persistent friction: it increases transaction costs, lengthens operational chains, and narrows the set of viable options, even when actors adapt. The purpose is not to eliminate capacity in a single step, but to constrain the range and efficiency of options

available over time. Therefore, institutional constraint is a strategic function to preserve because it provides a durable contribution to reducing the operational space of hostile activity.

A third function to preserve is coalition signalling and internal governance cohesion. Political sanctions are among the most visible elements of the EU response and therefore play a disproportionate role in maintaining unity and credibility. They enable the EU to demonstrate continuity of pressure, to communicate clear thresholds of unacceptable behaviour, and to maintain a shared interpretative frame among Member States and partners. This signalling function is not merely rhetorical; it shapes private-sector risk behaviour and partner alignment, and it reduces incentives for unilateral deviations by creating a public baseline. Importantly, the function also operates internally: consistent political sanctions support the EU's ability to sustain more complex and sometimes more costly measures in other domains by keeping the coalition narrative coherent and by providing regular "proof of action" that is politically communicable. For 2026–2030, preserving coalition signalling matters because sanctions effectiveness is inseparable from coalition durability; without stable governance cohesion, even well-designed measures are vulnerable to erosion through uneven implementation and political fragmentation.

A fourth function to preserve is risk management and resilience in hybrid domains, especially where political sanctions protect EU internal stability rather than directly constraining Russian resources. Visa and diplomatic measures, particularly those addressing diplomatic movement controls, have a security rationale linked to hostile intelligence and hybrid activity. Media restrictions serve a resilience function by limiting the mainstream distribution and amplification of state-controlled war propaganda and coordinated manipulation. These instruments are valuable because they strengthen the EU's defensive posture while remaining within a restrictive-measures governance framework. In 2026–2030, the relevance of this function is likely to persist irrespective of the precise trajectory of the war, because hybrid activity and information influence are low-cost, scalable tools of state power and are therefore unlikely to disappear. Preserving the resilience function does not require maximalist restrictions; it requires targeted, legally robust, and operationally implementable controls that reduce exposure and raise the cost of hostile activity within EU space. Consequently, resilience and risk management are strategic functions to preserve because they protect the EU's operating environment, which is a precondition for sustaining any long-term sanctions policy.

A fifth function to preserve is anti-circumvention support and sanctions-ecosystem closure. Political sanctions, while sometimes perceived as "symbolic", can materially strengthen the effectiveness of economic and financial measures by closing physical, institutional, and informational pathways that facilitate evasion. Listings can target facilitators and intermediaries; visa regimes can reduce physical operability and complicate on-the-ground coordination; media restrictions can disrupt the informational scaffolding that advertises or normalises circumvention and can impede the use of influence operations to reduce compliance discipline. In 2026–2030, this function will likely become more important rather than less, because the longer a sanctions regime remains in place, the more adaptive circumvention networks become and the more value attaches to closing the ancillary channels that sustain them. Preserving this function therefore requires that political sanctions are not managed in isolation, but integrated into broader enforcement strategies, including data-sharing, typology of targets, and rapid update cycles.

A sixth function to preserve is conditionality and the structuring of future adjustment pathways. Political sanctions provide an institutional framework in which the EU can define, communicate, and enforce conditionality: what behavioural changes would be required for easing, what triggers would justify tightening, and how reversibility would operate. This function is often underestimated because it does not produce immediate operational outcomes, but it matters for long-horizon governance. A sanctions regime that cannot be adjusted credibly over time risks either becoming politically brittle (if it cannot respond to change) or becoming strategically incoherent (if it continues without clear rationale). Preserving conditionality means maintaining clear legal bases, evidentiary standards, and review mechanisms so that adjustments can be made without undermining legitimacy. For 2026–2030, this is

strategically valuable because it supports both deterrence (through credible escalation capacity) and de-escalation pathways (through verifiable, reversible easing), while preventing ad hoc normalisation.

Taken together, the strategic functions to be preserved across 2026–2030 can be summarised as: (1) delegitimation, (2) institutional constraint and persistent friction, (3) coalition signalling and governance cohesion, (4) hybrid-domain resilience and risk management, (5) anti-circumvention support and sanctions-ecosystem closure, and (6) conditionality with credible adjustment pathways.

2.3.3. Scenario Frame for 2026–2030

A forward-looking assessment of the prospectiveness of political sanctions over 2026–2030 requires an explicit scenario frame, because the effectiveness and optimal calibration of political measures are highly contingent on the evolution of the war, the intensity of hybrid activity, and the political throughput capacity of the EU and its partners. Political sanctions are not a single-purpose instrument. They deliver different value under different conditions. Without a scenario frame, evaluation risks either assuming a static environment (thereby underestimating adaptation and escalation risks) or treating any change in circumstances as evidence that the instrument “failed”. The scenario approach used here is deliberately pragmatic: it does not aim to forecast a single outcome, but to provide a structured basis for calibrating political sanctions under three plausible trajectories—baseline continuation, escalation, and partial de-escalation—while preserving the strategic functions identified in 2.3.2. Each scenario is defined by the likely direction of key variables: conflict intensity, hybrid pressure, coalition cohesion, and the availability of verifiable behavioural changes that could justify adjustment. The purpose is to map how the political sanctions mix should respond so that the regime remains durable, proportionate, and strategically coherent through 2030.

Scenario A: Baseline continuation (protracted conflict and persistent hybrid pressure). In the baseline scenario, the war remains unresolved, the Russian Federation continues to sustain a war economy and hostile external posture, and hybrid activity (information influence, cyber pressure, covert networks, and political interference attempts) persists at a steady, adaptive level. Coalition cohesion remains broadly intact, but political throughput is constrained by economic trade-offs, domestic political cycles, and the cumulative governance burden of long-term sanctions. Under this scenario, the prospectiveness of political sanctions depends primarily on their capacity to maintain stable delegitimation and institutional constraint while managing adaptation and avoiding list inflation. The optimal mix would emphasise: (1) network-oriented listings targeting facilitators and intermediaries; (2) durable visa and diplomatic restrictions focused on refusal of normalisation and risk-based control; and (3) media restrictions maintained through iterative anti-circumvention updates and intermediary compliance harmonisation. The central governance challenge is sustainability: preventing erosion through uneven implementation and ensuring that political sanctions continue to reinforce broader enforcement without generating disproportionate political or reputational costs. In this scenario, effectiveness is best understood as maintaining friction and reducing operational space over time rather than achieving discrete behavioural breakthroughs.

Scenario B: Escalation (renewed expansion of aggression and/or intensified hybrid operations). In the escalation scenario, the Russian Federation increases the scope or intensity of aggression (including renewed offensives, additional coercive steps, or further destabilisation), and/or intensifies hybrid activity directed at EU Member States and partners. This scenario may also include a measurable increase in circumvention networks, greater use of third-country intermediaries, and more aggressive information operations intended to fracture coalition cohesion. Under escalation, the role of political sanctions shifts: they become not only a “maintenance” tool but an escalatory signalling and resilience instrument. The optimal mix would involve faster and broader use of listings (including new categories of facilitators), tighter diplomatic controls where security risk justifies them, and accelerated media restrictions targeting both outlets and enabling networks. Importantly, escalation requires that the EU preserve legal defensibility and proportionality while increasing tempo; otherwise, political and judicial

vulnerabilities can undercut the intended signal. In this scenario, the main risk is governance overstretch: rapid expansion without evidentiary robustness, fragmented implementation, and rising reputational costs. Therefore, prospectiveness under escalation depends on the EU's capacity to run a high-tempo governance cycle—rapid updates, coordinated enforcement, and disciplined communications—while maintaining coalition unity.

Scenario C: Partial de-escalation (verifiable change enabling conditional adjustment). In the de-escalation scenario, there is a demonstrable, verifiable change in baseline conditions—such as credible cessation or reduction of hostilities, verifiable withdrawal steps, a monitored and sustained reduction of specific destabilising behaviours, or other measurable changes that could justify a conditional adjustment of political sanctions. This scenario does not imply immediate normalisation; it implies the emergence of a policy space in which sanctions can be used more explicitly as a conditionality framework. Under de-escalation, the prospectiveness of political sanctions is expressed through their ability to structure reversible easing while maintaining deterrence and the capacity for rapid re-tightening. The optimal mix would prioritise: (1) maintaining core listings against the highest-risk nodes (decision-making, war enabling, circumvention infrastructure) while introducing carefully sequenced review mechanisms for peripheral designations; (2) preserving visa and diplomatic restrictions as a baseline refusal-of-normalisation posture, with narrowly defined, verifiable adjustments rather than a return to facilitation; and (3) sustaining media restrictions against state-controlled war propaganda outlets while developing criteria-based review linked to demonstrable changes in behaviour and control structures. The principal governance challenge is credibility: easing must be conditional, evidence-based, and reversible, otherwise it risks undermining coalition trust and weakening deterrence. In this scenario, political sanctions remain prospectively valuable as a management tool for transition rather than as a static punishment.

Across all three scenarios, two cross-cutting principles shape the scenario frame. First, political sanctions remain most prospectively valuable when they are calibrated to preserve the strategic functions of delegitimation, institutional constraint, resilience, and anti-circumvention support, rather than being evaluated solely against immediate coercion. Secondly, the effectiveness of political sanctions is inseparable from implementation capacity and coalition governance: scenario shifts change the optimal tempo and scope, but do not remove the need for legal robustness, harmonised execution, and credible metrics.

2.3.4. Listings: Prospects and Calibration Priorities

From a 2026–2030 perspective, individual restrictive measures (listings) remain one of the most prospectively valuable components of the political sanctions track because they combine high political visibility with relatively high calibratability and can be updated iteratively without necessarily triggering the largest macroeconomic collateral effects associated with additional sectoral measures. Their central forward-looking value lies in their capacity to maintain targeted pressure on decision-enabling and war-enabling networks, to raise compliance friction for intermediaries, and to function as a flexible anti-circumvention instrument. At the same time, the marginal returns of listings are not automatic: after multiple waves of designations, the effectiveness of new additions increasingly depends on the quality of network targeting, evidentiary robustness, and cross-jurisdictional coordination. Consequently, the prospectiveness of listings through 2030 should be assessed as high utility with bounded coercion: listings are unlikely, by themselves, to compel strategic reversal, but they can materially constrain manoeuvrability, increase transaction costs, and disrupt enabling ecosystems if they are managed as a high-quality, continuously maintained regime rather than as a purely cumulative list.

Under the baseline continuation scenario, the primary role of listings is to sustain persistent friction and to keep the compliance environment dense for sanctions-relevant networks. The most effective listing strategy in a protracted conflict is not primarily to add ever more politically symbolic names, but to sustain a targeting logic focused on functional nodes: facilitators, intermediaries, procurement and

logistics brokers, corporate shells, and entities supporting the military-industrial and dual-use supply chains. As sanctions mature, the highest payoff designations are those that disrupt the infrastructure of adaptation and evasion, rather than those that simply restate political condemnation. This implies a shift towards a structured typology of listings with clear functional purposes: decision-making and war-authorisation nodes; war-enabling industrial and financial nodes; circumvention and facilitation nodes; and influence-operation nodes. Such typology is necessary both for effectiveness and for governance clarity, because it helps prevent “list inflation” and supports evidence-based prioritisation. In the baseline scenario, prospectiveness therefore depends on whether the EU can maintain a disciplined, network-oriented listing policy that keeps pace with adaptation while preserving legal defensibility.

Under an escalation scenario, listings become a high-tempo escalatory tool, but their effectiveness depends on the coalition’s ability to accelerate the designation pipeline without degrading evidentiary standards. In practice, escalation increases the risk that political pressure for rapid additions outpaces the ability to build robust factual records and to coordinate across Member States and partners. The calibration priority in this scenario is therefore to preserve procedural credibility and to avoid predictable legal vulnerabilities that could undermine signalling. Escalation is also the scenario in which cross-jurisdictional coordination becomes most decisive: if the EU lists entities that can immediately re-route operations through non-aligned jurisdictions or substitute intermediaries, the operational effect will be diluted. Consequently, the prospectiveness of listings under escalation is maximised when designations are paired with: (1) strong anti-circumvention follow-up; (2) alignment with partner jurisdictions where feasible; and (3) clear communications that distinguish between symbolic designations and infrastructure-disrupting designations. In other words, escalation does not require “more of the same”; it requires a faster, more precise listing regime that targets enabling systems rather than only visible figures.

Under a partial de-escalation scenario, listings remain prospectively valuable primarily as a conditionality and reversibility tool. In this case, the policy challenge is to distinguish between: (i) core designations that must remain as long as risk persists (decision-making nodes, war enabling, and systematic circumvention facilitators), and (ii) peripheral or time-bound designations that can be reviewed under a structured, verifiable framework without undermining deterrence. The calibration priority here is to maintain credibility: easing should be strictly conditional, evidence-based, reversible, and insulated from ad hoc political bargaining. A disciplined review mechanism can support coalition unity by demonstrating that sanctions are not purely punitive but are tied to measurable behavioural conditions. However, de-escalation also increases the risk of fragmentation: different Member States may push for faster easing, and listed parties will intensify legal challenges. Therefore, the prospectiveness of listings under de-escalation depends on robust review governance and clear minimum conditions for any adjustment.

Across all scenarios, five calibration priorities should be treated as central to preserving and strengthening listing effectiveness through 2030.

First, prioritise network-based targeting over status-based targeting. As the list expands, the incremental effect of adding high-profile political figures declines, while the effect of targeting facilitators and enabling nodes remains significant. Network targeting requires better mapping of ownership, control, and functional roles, but it yields higher operational returns.

Secondly, strengthen evidentiary standards and legal resilience. Listings are vulnerable to judicial scrutiny and require clear grounds, accurate identification, and a demonstrable link to the sanctionable conduct. Improving the quality of statements of reasons and maintaining regular updates where roles change will reduce legal reversals and enhance compliance usability.

Thirdly, integrate listings with anti-circumvention engineering. Designations should be operationally connected to the mechanisms by which evasion occurs—third-country intermediaries, proxy ownership, logistics nodes, and service providers. This requires rapid follow-up and coordinated monitoring, otherwise designations lag behind adaptation.

Fourthly, improve cross-jurisdictional coordination and “external compliance gravity”. The operational effect of listings increases when partner jurisdictions align and when global intermediaries treat EU designations as high-risk globally. Where full alignment is not feasible, the EU can still increase external compliance gravity by targeting key nodes that interact with EU markets, services, and payment infrastructures.

Fifthly, prevent list inflation through typology, periodic review, and impact-oriented metrics. Without structured prioritisation, a growing list can dilute analytical focus and reduce marginal returns. A typology-based approach also supports internal and external communication: it makes clear whether a designation is intended primarily for signalling, deterrence, infrastructure disruption, or anti-circumvention.

Taken together, these priorities imply that the most prospectively valuable listings regime for 2026–2030 is one that is selective in strategic logic but high-tempo in maintenance, legally robust, and integrated with broader sanctions enforcement. The practical objective is not to expand the list indefinitely, but to keep the list aligned with the evolving structure of war-enabling and circumvention networks, while preserving coalition legitimacy and legal defensibility.

2.3.5. Visa and Diplomatic Restrictions: Prospects and Governance Conditions

Over the 2026–2030 horizon, visa and diplomatic restrictions remain prospectively valuable primarily as durable refusal-of-normalisation instruments and as risk-management tools that reduce the physical operability of sanctions-relevant networks and constrain hostile activity conducted through privileged mobility channels. Their core strategic utility is therefore governance-oriented: they shape the access regime to EU space, raise procedural friction, and support internal security resilience, rather than delivering direct coercive leverage over Russia’s strategic decisions. This makes their prospectiveness highly dependent on the EU’s ability to sustain a coherent admission posture across Member States, to manage exceptions in a legally robust way, and to calibrate diplomatic controls without triggering avoidable governance or reciprocity risks. In contrast to listings, where marginal returns can be increased through network targeting, the marginal returns of visa measures are more tightly bound by political sensitivity and legal proportionality. Consequently, the most realistic route to stronger effectiveness through 2030 is selective, risk-based refinement rather than maximalist closure.

In the baseline continuation scenario, the principal function of visa restrictions is to maintain a stable institutional signal that the EU is not returning to facilitated interaction under conditions of ongoing aggression and destabilisation. The prospectiveness of the visa track here is high insofar as it can be sustained at relatively low macroeconomic cost while contributing to the coalition narrative and to the closure of ancillary circumvention pathways. However, baseline continuation also increases the risk of implementation drift: (1) national practices can diverge, (2) administrative fatigue can set in, and (3) exceptions can widen over time under domestic political pressures. Consequently, the key governance condition is harmonised implementation. This requires consistent application of Visa Code standards to Russian nationals, disciplined practice on multiple-entry visas, and shared risk indicators for scrutiny. Where harmonisation is weak, the “access gradient” effect re-emerges, and the instrument’s deterrent and integrity value declines. Therefore, sustaining prospectiveness under baseline continuation depends less on introducing new legal acts and more on maintaining a stable and predictable implementation regime with measurable convergence across Member States.

In an escalation scenario, visa and diplomatic restrictions can support a stronger posture by increasing the cost of mobility for higher-risk categories and by tightening controls in areas with clear security justification. The most prospectively effective escalatory use of this track is not a blanket closure, but targeted tightening that preserves legal defensibility and coalition legitimacy. Overreach is a central risk: measures that are perceived as collective punishment can generate reputational costs, provide adversarial propaganda narratives, and increase intra-EU political friction. Accordingly, escalation governance conditions include: clear rationale grounded in security and sanctions objectives;

disciplined exception management; and robust communications emphasising targeted risk management rather than indiscriminate exclusion. For diplomatic restrictions specifically—such as movement controls on Russian diplomats within the EU—the escalation scenario increases their utility, but also increases reciprocity risk and legal sensitivity. Therefore, prospectiveness depends on careful procedural institutionalisation, high-quality information sharing, and consistent implementation so that the measure delivers real security value without unnecessary political spillover.

In a partial de-escalation scenario, the visa and diplomatic track becomes a critical test case for conditionality governance. The principal policy challenge is to avoid premature normalisation while maintaining credible pathways for limited adjustment where verifiable conditions justify it. Prospectiveness in this scenario lies in the ability to maintain a baseline refusal-of-normalisation posture—no return to facilitation—while allowing narrowly defined, evidence-based calibrations (e.g., refining multiple-entry visa practice or adjusting certain diplomatic procedures) that are reversible and do not undermine coalition unity. In governance terms, de-escalation increases internal divergence risk: Member States may differ more sharply on the pace and scope of easing, and domestic political pressures may push for bilateral exceptions. Consequently, prospectiveness depends on explicit EU-level criteria and disciplined coordination that prevents fragmentation. In addition, the exception system becomes more politically contested, requiring tighter verification and clearer typology to preserve integrity.

Across scenarios, four governance conditions should be treated as decisive for preserving and strengthening the visa and diplomatic track through 2030.

First, sustained harmonisation and implementation discipline. The effectiveness of visa measures is highly sensitive to Member State practice variance. Stronger EU-level guidance, data-sharing, and consistent application of risk-based scrutiny reduce the access-gradient problem and increase deterrence.

Secondly, managed proportionality and exception integrity. Humanitarian, family, educational, and medical exceptions are legally and politically necessary, but they must be narrowly defined, verifiable, and monitored to prevent systematic leakage. The governance goal is to preserve legitimacy while avoiding exceptions becoming a circumvention channel.

Thirdly, administrative and digital capacity. A risk-oriented admission regime requires adequate staffing, interoperable systems, and security coordination. Without capacity, the system risks either bureaucratic overload (reducing quality) or de facto superficial checks (reducing effectiveness). Capacity-building is therefore a necessary condition for durable effectiveness.

Fourthly, calibrated diplomatic controls grounded in security rationale. Movement controls on diplomats and related measures are prospectively valuable where they address identifiable hostile-activity risks. Their sustainability depends on clear procedures, information sharing, proportionality, and anticipation of reciprocity dynamics.

Overall, the prospects for visa and diplomatic restrictions through 2026–2030 are strongest where they are managed as a selective, risk-based governance regime that preserves refusal-of-normalisation, strengthens security resilience, and reduces the physical operability of sanctions-relevant networks, while maintaining legal defensibility and coalition legitimacy. Their strategic value is therefore stable but bounded: they are unlikely to deliver direct coercive effects, yet they remain a durable “closure” and resilience instrument that supports the cumulative effectiveness of the broader sanctions’ architecture.

2.3.6. Media and Information Influence Restrictions: Prospects and Anti-Circumvention Engineering

Over 2026–2030, restrictions on media and information influence remain prospectively valuable as a hybrid-domain resilience tool and as an infrastructural sanctions instrument that limits the mainstream

distribution and amplification capacity of Russian state-controlled or state-aligned influence channels within EU jurisdiction. Their strategic utility is stable because hostile information activity is a low-cost, scalable capability that is unlikely to disappear even if the military trajectory changes. However, the prospectiveness of this block is uniquely dependent on the EU's ability to sustain continuous anti-circumvention engineering. Unlike listings or visa measures, which can retain a relatively stable baseline effect once implemented, media restrictions face an inherently high adaptation rate: rebrands, mirrors, proxy channels, platform migration, and the diffusion of content into closed ecosystems can erode operational impact unless the regime is managed as a maintained system. Consequently, the central 2026–2030 question is whether the EU can move from a primarily channel-centric approach to a more durable network-and-supply-chain disruption model, while preserving legal defensibility and coalition legitimacy.

In the baseline continuation scenario, the principal function of media restrictions is to preserve a durable refusal-of-normalisation in the information domain and to reduce mainstream reach and algorithmic amplification of sanctioned outlets. Prospectiveness under baseline continuation is high insofar as these measures remain politically legible and operationally implementable via intermediary obligations. The main degradation risk is governance drift: as the list of restricted outlets grows, the regime can suffer from diminishing marginal returns if updates become slower than adaptation or if implementation becomes uneven among platforms and carriers. Therefore, the key calibration priority under baseline conditions is a high-tempo maintenance cycle: monitoring, rapid updates, and consistent compliance signals that reduce response lags. In practice, baseline continuation calls for a disciplined focus on high-impact distribution nodes and monetisation pathways, rather than an undifferentiated expansion of outlet names. This is the governance logic of durability: effectiveness is maintained not by periodic symbolic additions, but by keeping the compliance perimeter aligned with the evolving ecosystem.

In an escalation scenario, media restrictions become a central component of resilience policy because information operations typically intensify in parallel with kinetic escalation, targeting public opinion, coalition cohesion, and sanction support. Under escalation, the EU's prospective advantage is the ability to reduce mainstream amplification rapidly through the Article 2f framework and related intermediary obligations. However, escalation also increases the risk of overreach: rapid expansion without evidentiary robustness, ambiguous definitions of prohibited facilitation, and inconsistent platform implementation can undermine legitimacy and produce counterproductive “censorship” narratives. Consequently, the prospectiveness of this block under escalation depends on the EU's capacity to combine speed with legal precision: fast targeting of proxies and enabling networks, paired with clear statements of reasons and disciplined communications emphasising state control and war-propaganda function. Escalation also heightens the importance of international coordination: when major platforms apply global compliance standards, the operational effect is stronger; when they segment compliance by jurisdiction, circumvention becomes easier. Therefore, escalation governance requires structured engagement with intermediaries and partners to reduce external substitution channels.

In a partial de-escalation scenario, the media block remains prospectively valuable as a conditionality tool, but it becomes politically more contested. Pressure for “normalisation” may extend to information restrictions, including claims that bans should be lifted as part of broader easing. The governance challenge is to preserve a clear distinction between pluralistic media content and state-controlled influence operations linked to aggression and destabilisation. Prospectiveness in this scenario depends on the EU's capacity to maintain criteria-based review without undermining deterrence: core restrictions should remain in place as long as state control and hostile-information function persist, while any adjustments should be narrowly defined, verifiable, and reversible. Importantly, de-escalation increases litigation and reputational sensitivity; therefore, legal defensibility and evidence quality become even more central. In practical terms, the media block's prospectiveness under de-escalation depends on whether the EU can anchor restrictions in demonstrable security rationale and maintain coherent coalition communications to prevent fragmentation.

Across scenarios, four anti-circumvention engineering priorities should be treated as decisive for sustaining and strengthening effectiveness through 2030.

First, shift from channel-centric bans to network-and-services disruption. The primary operational risk is that outlet names change while the enabling network persists. A more durable model targets the organisational infrastructure—entities, managers, monetisation routes, and enabling services—so that rebranding yields lower substitution value. This requires coordinated use of Article 2f restrictions with complementary tools (including, where warranted, listing measures against influence operators and entities) and with services restrictions where relevant.

Secondly, accelerate the update cycle and prioritise high-impact nodes. Anti-circumvention is fundamentally a tempo competition. The shorter the lag between identification of mirrors/proxies and the compliance response, the lower the adaptation benefit. Prioritisation is critical: the regime should focus on high-reach distribution nodes and high-leverage monetisation pathways rather than dispersing effort across low-impact targets.

Thirdly, strengthen intermediary compliance governance. Because the regime relies heavily on platforms, carriers, and service providers, consistent guidance, notification procedures, and enforcement signalling are essential. The EU’s effectiveness increases when intermediaries internalise obligations as a uniform compliance baseline, reducing “soft spots” and preventing jurisdiction shopping. This also requires monitoring of compliance performance and the ability to address systematic under-implementation.

Fourthly, develop credible metrics and evidence models. The sustainability of the media block depends on credible demonstration of intermediate effects: reductions in mainstream availability, reach, amplification, and monetisation, alongside tracking of rebrand/mirror frequency and diffusion routes. Without such metrics, the regime risks both list inflation and political fragility. Metrics also enable proportionality: they support targeted design by linking restrictions to measurable security outcomes rather than to broad, contested assertions.

Overall, the prospectiveness of media and information influence restrictions through 2026–2030 is strongest where the EU treats this block as a continuously managed system of sanctions engineering, integrated with broader enforcement and compliance governance, rather than as a static set of bans. The realistic objective is to constrain scale, legitimacy, and operational efficiency of hostile influence activity within EU jurisdiction, while limiting counterproductive reputational effects through targeted, evidence-based design and disciplined communications. This instrument therefore remains high-utility but adaptation-sensitive: it delivers meaningful resilience and governance benefits, provided the EU sustains the tempo, coordination, and evidentiary robustness required for durable anti-circumvention performance.

2.3.7. Cross-Cutting Implementation Constraints (2026–2030)

Across 2026–2030, the prospectiveness of political sanctions against the Russian Federation will be constrained less by the formal availability of legal instruments and more by a set of cross-cutting implementation constraints that shape the regime’s durability, coherence, and operational density. The preceding subsections have shown that listings, visa/diplomatic restrictions, and media measures all share a common dependency: they generate their strongest effects when they are implemented with high consistency, supported by credible evidence, and maintained through continuous governance cycles. These characteristics become more demanding over time, because long-running sanctions regimes face adaptation by the target, fatigue within implementing systems, and political pressures within the coalition. Consequently, the 2026–2030 outlook must treat implementation constraints not as secondary technicalities, but as primary determinants of whether political sanctions remain strategically useful. Three constraints are particularly decisive: coalition cohesion and political

throughput capacity; administrative and digital capacity for enforcement and monitoring; and legal defensibility and proportionality under judicial and public scrutiny.

The first constraint is coalition cohesion and political throughput capacity. Political sanctions are inherently multi-actor instruments: they require sustained agreement among Member States, consistent messaging, and the ability to take timely decisions when updates are needed. Over a multi-year horizon, cohesion is challenged by domestic political cycles, divergent economic sensitivities, shifts in public opinion, and the cumulative burden of sanctions governance. Even where formal agreement exists, throughput can degrade: packages take longer to negotiate, updates become incremental, and the tempo of response lags behind adaptation by the target. This is particularly consequential for media restrictions and network-based listings, which require high-tempo updates to remain effective. Moreover, coalition cohesion is not only internal; it includes alignment with key partners, which affects cross-jurisdictional reach and “external compliance gravity”. If cohesion weakens—either through intra-EU fragmentation or reduced partner alignment—political sanctions can become less dense and more porous, increasing substitution opportunities. Therefore, through 2026–2030, maintaining throughput capacity is a core constraint: without it, the regime risks becoming symbolically durable but operationally stale.

The second constraint is administrative and digital capacity. Political sanctions operate through complex implementation ecosystems: competent authorities, consular services, border agencies, financial-intelligence and compliance bodies, and—critically—private intermediaries. As sanctions mature, the need for high-quality data fusion increases: identifying beneficial ownership and networks for listings; harmonising risk indicators for visa scrutiny; monitoring mirrors and proxies for media restrictions; and tracking circumvention patterns across jurisdictions. This requires interoperable systems, trained personnel, and sustained resourcing. Capacity constraints manifest in predictable failure modes: delays in processing and updates, inconsistent implementation, superficial checks, and overreliance on private compliance without sufficient public oversight. Over time, capacity challenges can also produce bureaucratic friction that undermines legitimacy and generates political backlash, particularly in visa and media domains. Consequently, the 2026–2030 prospectiveness of political sanctions depends on continuous capacity-building—digital interoperability, analytical staffing, and operational coordination—rather than on the existence of legal powers alone.

The third constraint is legal defensibility and proportionality, including litigation exposure and reputational sustainability. The EU sanctions framework operates within a rule-of-law environment in which restrictive measures must meet standards of legal basis, evidence, procedural fairness, and proportionality. This is a strength, but it also imposes real constraints on speed and scope, especially for listings and media restrictions, which can be challenged directly or indirectly. Over a multi-year horizon, legal risk increases as the volume of measures grows and as targeted actors invest more in legal challenges. If evidentiary standards slip or if measures are perceived as overly broad, judicial setbacks can erode the credibility and operational coherence of the regime. In addition, proportionality constraints are not only judicial; they are political. Visa measures and media restrictions are particularly sensitive to narratives of collective punishment or censorship, which can undermine coalition legitimacy and provide adversarial propaganda material. Therefore, legal defensibility and proportionality are binding constraints: they set the maximum sustainable intensity of the political sanctions track and require continuous quality control—clear statements of reasons, precise definitions, transparent rationale, and disciplined public communication.

A further cross-cutting constraint is the adaptation and substitution capacity of the target and its networks, which interacts with all three primary constraints. Russia and associated actors are likely to remain adaptive in 2026–2030, using re-routing, rebranding, proxy ownership, third-country intermediaries, and digital workarounds. This means that even well-designed measures will experience effectiveness decay if the coalition’s throughput slows, if implementation capacity is insufficient, or if legal constraints prevent rapid updating. In practical terms, adaptation transforms political sanctions

from “one-off decisions” into “tempo competitions”: effectiveness is increasingly determined by the speed at which the EU can identify new nodes and update restrictions while maintaining legal quality.

Taken together, these cross-cutting constraints imply that the prospectiveness of political sanctions through 2030 will be highest where the EU treats them as a managed system requiring continuous governance investment: (1) coalition cohesion and throughput must be maintained; (2) administrative and digital capacity must be strengthened; (3) legal defensibility must be protected; and (4) adaptation must be anticipated through rapid, typology-driven updates. Without these conditions, political sanctions risk drifting into a regime of high symbolic visibility but declining operational density—retaining political signalling value while losing a proportion of their capacity to constrain hostile operational space. This diagnosis sets up the next subsection, which addresses how political sanctions interact with other sanctions domains and compliance instruments, and why cross-domain integration is necessary to mitigate these constraints.

2.3.8. Interaction with Other Sanctions Domains and Policy Instruments

The prospectiveness of political sanctions over 2026–2030 is materially shaped by their interaction with other sanctions domains and with the broader set of policy instruments that constitute EU sanctions governance. Political sanctions rarely deliver their strongest effects in isolation. Their operational value increases when they are integrated with economic, financial, trade, transport, and legal measures, and when they reinforce the compliance ecosystem that turns legal prohibitions into real behavioural constraints. In this sense, political sanctions operate as closure and coherence instruments: they narrow institutional and physical pathways that would otherwise enable circumvention, they strengthen the reputational and compliance gravity of the regime, and they sustain coalition signalling that underpins more complex sectoral restrictions. Consequently, assessing 2026–2030 prospectiveness requires viewing political sanctions not as a parallel track, but as a set of tools that can increase the effectiveness and enforceability of the entire sanctions’ architecture.

A first interaction channel is the linkage between listings and financial/asset-based enforcement. Listings trigger asset freezes and prohibitions on making funds and economic resources available, but the real-world impact depends on financial intelligence, beneficial ownership tracing, and cross-border compliance cooperation. When integrated effectively with financial sanctions, listings can be used to target: (1) key facilitators of sanctions circumvention; (2) intermediaries enabling export-control evasion; (3) entities providing payment, crypto, or trade-finance services; and (4) proxy ownership structures that sit behind nominally non-sanctioned vehicles. In 2026–2030, as circumvention networks mature, this interaction becomes increasingly central: political sanctions that identify and constrain the human and corporate nodes of evasion amplify the effectiveness of sectoral prohibitions that otherwise leak through intermediaries. The implication is that listing strategy should be informed by financial-enforcement priorities and by intelligence on how restricted goods, services, and funds are routed. Without such integration, listings risk becoming primarily symbolic while the operational network adapts.

A second interaction channel is the linkage between political sanctions and trade, export-control, and industrial restrictions. Sectoral sanctions often operate through complex product lists, licensing regimes, and service prohibitions; their enforceability depends heavily on controlling brokers, logistics routes, and third-country facilitators. Political sanctions can support this domain by constraining the human and organisational infrastructure of procurement, logistics, and technical services. Network-based listings of intermediaries, procurement agents, and corporate shells increase transaction friction, raise compliance refusal rates, and reduce the availability of low-risk facilitators. Visa restrictions can reduce physical operability—limiting the ability of procurement actors to travel, negotiate, and coordinate on EU territory. Media restrictions can reduce the informational scaffolding that advertises circumvention services or legitimises prohibited trade practices. Consequently, the interaction is

cumulative: political sanctions help “close” the supply-chain and services environment in which export controls operate, reducing the gap between legal prohibition and practical leakage.

A third interaction channel is the relationship between political sanctions and transport and logistics restrictions. Transport measures (aviation bans, port access constraints, road transport limits) shape the physical movement of goods and persons, but they can be undermined by intermediaries and by reflagging, rerouting, and transshipment practices. Listings that target logistics operators, freight brokers, and enabling entities can raise the cost of workaround routes and increase the risk of enforcement detection. Visa measures, while not directly a transport sanction, contribute indirectly by tightening the personal mobility environment for actors who operate logistical circumvention schemes. Similarly, media restrictions can reduce the public visibility and legitimacy of “grey logistics” narratives and can limit certain channels used to coordinate or market logistics workarounds. In 2026–2030, where Russia’s adaptation will likely rely on complex logistics chains through third countries, these cross-domain linkages can materially improve enforcement outcomes.

A fourth interaction channel concerns legal sanctions, accountability measures, and institutional conditionality. Political sanctions perform a bridge function between legal qualification and operational restriction: they institutionalise the EU’s assessment of unacceptable conduct and provide enforceable constraints that can be maintained over time. Where accountability and legal measures (for example, evidence collection, asset tracing for potential future reparations frameworks, or institutional conditionality for any future adjustment) progress, political sanctions can provide the governance scaffolding that keeps pressure coherent and reversible. Listings create an institutional archive of responsibility and affiliation; visa/diplomatic restrictions sustain refusal-of-normalisation; media restrictions codify the EU’s boundary against state-controlled war propaganda. This interaction is particularly relevant under a de-escalation scenario, where conditionality becomes central: political sanctions can be calibrated to support verifiable steps without losing deterrence, thereby linking legal and political pathways.

A fifth interaction channel is with hybrid measures and security policy tools. Political sanctions in the media and diplomatic domains overlap with hybrid-security governance: countering hostile intelligence activity, protecting democratic processes, and strengthening societal resilience. This means that their prospectiveness is improved when they are coordinated with non-sanctions security instruments—such as resilience programmes, cyber defence measures, counter-disinformation strategies, and law-enforcement cooperation—while remaining clearly grounded in the sanctions’ legal framework. The value of this integration is twofold: it increases operational effectiveness by linking sanctions to threat intelligence and risk indicators, and it increases legitimacy by anchoring restrictions in demonstrable security rationales rather than in ambiguous political preferences.

Finally, a decisive interaction domain is the compliance toolset that translates sanctions policy into real-world behaviour. Over 2026–2030, the prospectiveness of political sanctions will increasingly depend on the quality of: (1) consolidated guidance and FAQs; (2) sanctions registers and structured data for private-sector compliance; (3) mechanisms for rapid notification and updates; (4) enforcement coordination and typology-driven prioritisation; and (5) outreach to intermediaries and platforms. Political sanctions amplify the compliance environment because they create visible, person- and entity-specific risk signals (listings), clear access constraints (visa and diplomatic restrictions), and explicit distribution prohibitions (media measures). However, the same visibility can produce governance costs if guidance is ambiguous or if updates are inconsistent across Member States. Therefore, the interaction between political sanctions and compliance instruments is not incidental; it is a core determinant of operational density and coalition durability.

In sum, political sanctions are most prospectively valuable in 2026–2030 when they are treated as integrated closure tools within the broader sanctions’ architecture: they support export controls by constraining facilitators, reinforce financial sanctions by targeting network nodes, strengthen transport restrictions by raising circumvention costs, and enhance hybrid resilience by limiting hostile information

and diplomatic operational space. This integration also mitigates the cross-cutting constraints identified in 2.3.7, because it improves intelligence flow, prioritisation, and enforcement coherence. The practical implication for continuation strategy is clear: political sanctions should be calibrated in tandem with economic, legal, hybrid, and compliance instruments, with shared typologies and metrics, so that the overall regime remains strategically coherent and operationally sustainable through 2030.

2.3.9. Metrics and Evidence Model for Monitoring Effectiveness (2026–2030)

A credible 2026–2030 continuation strategy for political sanctions requires a metrics and evidence model that is both analytically rigorous and operationally usable. Without a structured monitoring framework, political sanctions are vulnerable to two recurrent failures: first, they are judged against inappropriate end-state criteria (for example, immediate strategic reversal by the Russian leadership), producing an artificial “ineffectiveness” narrative; secondly, they are defended on the basis of inputs (numbers of packages, numbers of listings) rather than outcomes, which weakens credibility and impedes calibration. The purpose of this subsection is therefore to define a multi-criteria model that links each political sanctions’ instrument to measurable intermediate effects consistent with its plausible mechanism of impact. The model must also be designed for a long horizon: it should capture persistence, adaptation, and the decay rate of effects, not only short-term shocks. Finally, given the known reliability issues with some Russian official statistics and communication, the evidence model should be explicitly triangulated: Russian-source indicators should be compared systematically with EU, US, and other international datasets and with reputable independent analytical outputs.

The monitoring model should be built around three principles. First, instrument–mechanism alignment: each metric must reflect what the instrument can realistically change (reach, mobility, compliance friction, network disruption), not what it cannot reliably change directly (strategic war decisions). Secondly, triangulation and comparability: each indicator should have at least two independent sources or measurement pathways, and cross-Member State comparability should be prioritised. Thirdly, actionability: metrics should support decision-making by indicating where effectiveness is decaying, where circumvention is increasing, and where implementation gaps are widening. In practical governance terms, the model should generate a periodic dashboard with clear thresholds that trigger review, targeted reinforcement, or reprioritisation.

For listings (individual restrictive measures), the evidence model should focus on network disruption and compliance effects rather than on headline counts of designated persons and entities. Core metric clusters include: (1) asset-disruption proxies—value of assets frozen where data is available, but more importantly the number and significance of blocked accounts/transactions and the frequency of compliance refusals linked to listed entities; (2) network fragmentation indicators—frequency of corporate restructuring, beneficial ownership changes, and substitution of intermediaries following listings; (3) transaction friction measures—increased use of complex routing (e.g., third-country intermediaries, layered corporate shells), longer payment chains, and increased transaction costs reported by compliance and investigative sources; and (4) legal resilience metrics—rate of successful/unsuccessful legal challenges, number of listings requiring amendment due to identification issues, and time-to-update for changes in roles. A practical proxy for “external compliance gravity” can be derived from partner alignment: the share of high-impact EU listings mirrored by key partners and the observed reduction in third-country service provision to listed parties. Crucially, listings metrics should distinguish between categories: symbolic designations, infrastructure disruptors, and anti-circumvention designations, as they are expected to produce different measurable effects.

For visa and diplomatic restrictions, the evidence model should centre on implementation convergence, risk-based filtering, and the integrity of exceptions. Key clusters include: (1) issuance/refusal patterns—total short-stay visas issued to Russian nationals, refusal rates, and processing time trends, disaggregated by Member State; (2) multiple-entry visa (MEV) structure—share of MEVs versus single-entry visas, average validity periods, and shifts over time following adapted rules; (3) implementation

variance indicators—dispersion metrics across Member States (for example, standard deviation in refusal rates and MEV shares), which directly track the “access gradient” problem; (4) exception integrity indicators—shares of visas issued under humanitarian/family/medical/education grounds and indicators of verification intensity; and (5) diplomatic movement control indicators—where data is available, notification/authorisation volumes and compliance anomalies, linked to security reporting on hostile activity patterns. Because this domain is politically sensitive and data may be uneven, triangulation is essential: official EU/Member State data should be paired with Schengen-wide aggregated statistics, audit reports, and where appropriate, reputable independent assessments of mobility patterns.

For media and information influence restrictions, measurement must prioritise reach, availability, monetisation, and adaptation rather than binary “blocked/unblocked” status. Key clusters include: (1) availability indicators—whether named outlets are accessible on mainstream carriers/platforms in the EU, disaggregated by Member State and major intermediary; (2) reach and engagement proxies—traffic trends to sanctioned outlet domains, platform engagement proxies, and distribution volumes where open-source intelligence and reputable analytics allow; (3) amplification indicators—presence in algorithmically promoted surfaces, re-upload frequency, and cross-platform diffusion patterns; (4) monetisation signals—advertising presence, payment or donation facilitation pathways, and evidence of third-party monetisation support; and (5) circumvention tempo metrics—frequency of rebrands, mirror-domain creation, proxy channel emergence, and the lag between emergence and enforcement response. A core governance metric here is time-to-response: the duration between identification of a proxy/mirror and effective reduction of its mainstream availability. This is the most direct indicator of whether the EU is winning the tempo competition inherent in this domain.

To ensure coherence across instruments, the model should include a set of cross-cutting indicators. These include: (1) coalition throughput—time from identification of a new risk node to adoption of a relevant measure; (2) implementation coherence—measures of divergence across Member States and across major intermediaries; (3) capacity indicators—staffing, interoperability milestones, and system deployment relevant to sanctions enforcement; and (4) adaptation pressure—observed growth of circumvention networks and substitution pathways. In addition, a structured qualitative layer is necessary: periodic case studies of specific circumvention networks or influence operations can validate whether quantitative indicators reflect real behavioural shifts. Such case studies should draw on reputable independent institutions and investigative outputs, and should explicitly flag any discrepancies between Russian narratives and external evidence, treating systematic discrepancies as a risk signal rather than as neutral noise.

Finally, the evidence model should be institutionalised as a review cycle aligned with sanctions governance. A practical approach is a semi-annual dashboard supplemented by quarterly rapid briefs in high-tempo periods, with each cycle producing: (1) an assessment of where effectiveness is stable, decaying, or improving; (2) a set of recommended recalibrations; and (3) a litigation and proportionality risk review. Over 2026–2030, the ability to maintain an evidence-based monitoring regime will be a decisive determinant of prospectiveness: it supports proportionality, prevents list inflation, strengthens coalition legitimacy, and enables faster anti-circumvention engineering. In short, political sanctions remain strategically useful when they are monitored and managed as a system; the metrics and evidence model is the mechanism by which that management remains credible and adaptive over the full horizon.

2.3.10. Risk Management: Counterproductive Effects and Mitigation

A 2026–2030 continuation strategy for political sanctions must incorporate explicit risk management for counterproductive effects, because the political sanctions track operates in domains that are unusually sensitive to narrative dynamics, legitimacy challenges, and unintended spillovers. Unlike purely technical trade controls, political sanctions interact directly with mobility, visibility, reputation, and

public communication. This makes them vulnerable to three recurrent risks: (1) the risk of adversarial reframing (for example, “collective punishment” or “censorship” narratives); (2) the risk of coalition friction and uneven implementation driven by domestic politics; and (3) the risk of unintended harm to humanitarian channels, civil society linkages, and long-term EU normative positioning. The purpose of this subsection is not to argue for weaker sanctions, but to define mitigation approaches that preserve effectiveness while reducing self-inflicted governance costs. In practice, mitigation is a condition of durability: a sanctions regime that cannot manage counterproductive effects becomes politically brittle, legally vulnerable, and operationally porous.

A first risk category is narrative and legitimacy blowback, particularly for visa and media restrictions. Visa measures can be framed as collective punishment of Russian citizens, potentially strengthening adversarial mobilisation narratives and reducing EU soft power. Media restrictions can be framed as censorship, used to undermine the EU’s rule-of-law narrative and to energise disinformation about “Western hypocrisy”. These reframings are not merely reputational; they can affect operational outcomes by weakening coalition cohesion, reducing platform cooperation, and increasing public contestation. Mitigation requires a disciplined communications doctrine that consistently anchors measures in: (1) the security and war-propaganda rationale; (2) the state-controlled or state-aligned character of targeted channels; and (3) the existence of proportionality safeguards and humanitarian exceptions where relevant. For listings, mitigation requires clarity about the targeting logic: designations should be communicated as responsibility and facilitation constraints rather than as symbolic gestures. In all cases, mitigation is stronger when the EU can point to documented evidence of state control, coordination, or sanctions-relevant facilitation, and when it avoids broad, ambiguous categories that are easier to caricature as indiscriminate repression.

A second risk category is coalition divergence and implementation drift. Over 2026–2030, domestic political cycles, differentiated exposure to Russia-related risks, and varying public attitudes can produce divergence in willingness to enforce, update, or maintain measures. This is particularly acute for visa restrictions, where national administrative discretion is substantial, and for media restrictions, where platform engagement and enforcement intensity can vary. The counterproductive effect is a porous regime: divergences create “soft spots” that facilitate circumvention and undermine deterrence. Mitigation requires a governance approach that treats implementation variance as a measurable risk indicator and responds with harmonised guidance, shared risk indicators, and targeted capacity support. It also requires coalition discipline in sequencing: avoiding abrupt shifts that create internal political backlash, and instead adopting predictable review cycles with clear criteria. Partner alignment is part of this mitigation: where possible, coordination with key partners reduces substitution pathways and strengthens external compliance gravity.

A third risk category is humanitarian and civil society spillovers. Visa restrictions, if poorly calibrated, can unintentionally restrict access for humanitarian cases, independent civil society actors, journalists, or individuals seeking protection. Even where exceptions exist on paper, administrative overload or overly rigid practice can reduce access in practice. This creates reputational risk and can weaken the EU’s normative claims, while also undermining long-term strategic interests by reducing people-to-people channels and informational pluralism. Mitigation requires clear typology of exceptions, verifiable criteria, and operational capacity to process legitimate cases without creating large loopholes. The strategic objective is to preserve humanitarian integrity without creating systemic leakage. This is best achieved through risk-based screening, stronger verification, and clarity in consular guidance. In addition, periodic audits of exception practice can identify whether humanitarian channels are functioning and whether abuse is occurring.

A fourth risk category is legal vulnerability and due process exposure, particularly for listings and certain aspects of media restrictions. Judicial challenges can produce partial rollbacks or force amendments, creating both operational gaps and reputational narratives of illegitimacy. The counterproductive effect is not only the loss of a specific designation but also the erosion of confidence among intermediaries and Member States in the regime’s robustness. Mitigation is primarily evidentiary: (1) high-quality

statements of reasons, (2) accurate identification data, (3) clear linkage to sanctionable conduct, and (4) timely updates when roles or corporate structures change. For media restrictions, mitigation requires clear definitional boundaries and evidence of state control or instrumentalisation, reducing the scope for claims that measures are arbitrary. A disciplined litigation-risk review cycle—linked to the metrics model in 2.3.9—should be treated as a standard element of sanctions governance, not an afterthought.

A fifth risk category is counter-circumvention escalation and unintended innovation. As political sanctions tighten, the target may respond by accelerating circumvention innovation: more sophisticated proxy ownership, increased use of third-country intermediaries, and more decentralised information distribution. A poorly designed regime can therefore shift the ecosystem towards less visible, harder-to-monitor channels, reducing transparency and increasing enforcement burden. Mitigation does not mean avoiding pressure; it means anticipating adaptation and investing in monitoring capacity, typology-driven prioritisation, and rapid update cycles. The objective is to ensure that adaptation raises the target's costs more than it degrades EU visibility and control. In the media domain, this implies focusing on supply-chain disruption and monetisation pathways rather than only channel labels. In listings, it implies targeting facilitators and service providers. In visas, it implies reducing access gradients and strengthening verification for higher-risk categories.

Finally, mitigation requires discipline in sanctions design and communication. The most durable political sanctions are those that are clearly targeted, evidence-based, legally robust, and operationally implementable, with exceptions managed in a transparent and controlled way. Where the EU can demonstrate that measures are connected to identifiable risks—war enabling, circumvention facilitation, hostile information activity, or security threats—counterproductive narratives are harder to sustain and coalition coherence is easier to maintain. Conversely, where measures drift towards broad or poorly evidenced restrictions, counterproductive effects become more likely, and effectiveness decays through fragmentation and litigation. Therefore, the 2026–2030 risk-management approach should be treated as an enabling condition for prospectiveness: it preserves legitimacy, reduces internal friction, and sustains the operational density of political sanctions over a long horizon. This provides a necessary bridge to the next subsection, which defines conditions for adjustment and the logic of escalation triggers and conditional easing pathways.

2.3.11. Conditions for Adjustment: Escalation Triggers and Conditional Easing Logic

A prospectively sustainable political sanctions strategy for 2026–2030 requires explicit conditions for adjustment—both for tightening (escalation) and for any form of conditional easing (de-escalation). Without a structured adjustment logic, the sanctions regime risks two failures: rigidity, where measures cannot respond credibly to changes in behaviour or risk and therefore lose strategic coherence; and arbitrariness, where ad hoc easing or tightening undermines deterrence and coalition trust. Political sanctions are particularly sensitive to this issue because they are visible, narrative-relevant, and often interpreted as the coalition's “political line”. Consequently, the EU's adjustment framework must combine: (1) clear triggers grounded in observable events and risk indicators; (2) evidence-based decision thresholds; (3) reversibility mechanisms; and (4) disciplined communications that preserve legitimacy. The objective is not to promise easing, but to maintain credible conditionality: pressure is increased when risk escalates and can be calibrated only when verifiable change justifies it, without sacrificing the capacity for rapid re-tightening.

Escalation triggers should be defined as a structured set of event-based and behaviour-based indicators that directly relate to the strategic functions of political sanctions—delegitimation, institutional constraint, resilience, and anti-circumvention closure. The most salient event-based triggers include: (1) renewed territorial expansion steps or annexation-related actions; (2) documented escalation of attacks on civilians or critical infrastructure; formal measures that deepen the integration of occupied territories into Russian administrative structures; and (3) materially intensified hybrid operations against EU Member States (including coordinated disinformation operations, covert influence activity targeting

elections, or increased hostile intelligence activity). Behaviour-based triggers should include: demonstrable growth in sanctions circumvention networks, particularly through third-country intermediaries; sustained evidence of state-supported procurement of restricted goods and services via proxy structures; and systematic use of media influence operations to facilitate circumvention or to destabilise coalition cohesion. In governance terms, escalation triggers should be linked to tempo: if circumvention adapts faster than the EU updates its measures, escalation may be required not only in scope but in governance capacity (more rapid cycles, tighter intermediary obligations, and more network-oriented listings). Importantly, escalation should not be treated as a uniform response. It should be calibrated by instrument: listings can expand to facilitators and intermediaries. Visa and diplomatic restrictions can tighten in higher-risk categories and in diplomatic mobility controls. Media restrictions can extend to proxies and enabling networks under a faster anti-circumvention cycle.

Conditional easing logic must be framed with equal clarity, but with stricter evidentiary thresholds, because premature normalisation is a strategic risk. Conditional easing should be understood as a sequenced and reversible calibration of measures, not as a binary “lifting” of political sanctions. The core condition for any easing is verifiable change in baseline behaviour that directly relates to the EU’s sanctions rationale. Examples of such conditions, expressed at the level of principle rather than political promise, include: (1) sustained and verifiable cessation or significant reduction of hostilities; (2) demonstrable withdrawal steps or verified compliance with agreed security arrangements; (3) meaningful reduction in hostile hybrid activity directed at the EU; and (4) verifiable cessation of specific destabilising behaviours that the sanctions regime targets. Because political sanctions also serve a resilience function, easing criteria should include not only changes in military behaviour but also changes in information and influence operations, including demonstrable structural change in state control or instrumentalisation of specific propaganda outlets. Any easing must also be contingent on access to verification mechanisms; without monitoring, easing undermines deterrence and increases the risk of strategic deception.

For listings, conditional easing logic should rely on a tiered approach. Core designations—decision-making nodes, war-enabling and military-industrial entities, and systematic circumvention facilitators—should remain in place unless there is sustained, verifiable structural change that materially reduces risk. Peripheral designations, particularly where the link to current risk is time-bound or role-dependent, can be placed under a structured review process with clear evidentiary criteria. Critically, easing should not occur through ad hoc removals; it should occur through a governed review cycle that preserves legal defensibility and coalition coherence. This includes clear statements of reasons for both continuation and adjustment, and the ability to re-list rapidly if conditions are breached. For visa and diplomatic measures, conditional easing should be even more cautious: a return to “facilitation” should not be treated as a baseline option. Adjustments, where justified, should focus on narrowly defined categories and improved predictability for legitimate travel, while maintaining risk-based scrutiny and robust exception verification. For media restrictions, conditional easing should be tied to demonstrable changes in state control and the war-propaganda function; absent such change, maintaining restrictions remains consistent with the resilience rationale. Where reviews are introduced, they should be criteria-based and reversible, with monitoring of re-emergence through proxies.

Reversibility is a core design requirement. Any conditional easing should be structured so that the EU can rapidly re-tighten measures if triggers reappear or if verification fails. This implies maintaining legal bases, maintaining data and evidence trails, and preserving implementation capacity even during partial easing. A practical approach is to define “snapback” conditions and to embed them in the governance cycle: escalation triggers should operate as automatic review triggers, and easing should be conditional on continued compliance with verification. Reversibility also has a coalition dimension: Member States and partners must have confidence that easing will not be exploited, otherwise coalition cohesion will fracture. Consequently, the adjustment framework should be designed to maintain trust through transparency, clear thresholds, and consistent application.

Finally, the adjustment framework must be integrated with the metrics and evidence model set out in 2.3.9. Escalation triggers and easing conditions should not be purely political; they should be connected to measurable indicators: growth in circumvention networks, increased proxy emergence rates in media, widening implementation gaps, and changes in mobility and diplomatic risk patterns. This integration ensures that adjustment decisions are evidence-based and defensible, reduces vulnerability to legal challenge and reputational attacks, and improves the EU's ability to communicate the rationale for calibration. In sum, a prospectively durable 2026–2030 political sanctions strategy requires a clear conditionality logic: tightening when risk escalates; maintaining pressure under baseline conditions; and considering any easing only when verifiable change and monitoring capacity justify it, with strong reversibility safeguards.

2.3.12. Summary Judgement on Prospectiveness (2026–2030)

Taken as a whole, the political sanctions track remains prospectively valuable over 2026–2030 as a durable set of governance instruments that can sustain pressure, protect EU resilience, and constrain the operational space of Russia-associated decision-enabling and circumvention networks. The central analytical conclusion is that political sanctions offer high strategic utility with bounded autonomous coercion: they are unlikely, in isolation, to produce a predictable strategic reversal by the Russian state, but they can materially shape the environment in which Russia and affiliated actors operate by institutionalising delegitimation, restricting manoeuvrability, and densifying the compliance perimeter. This prospectiveness is strongest when the regime is managed as a coherent system—integrated with broader sanctions enforcement, maintained through continuous anti-circumvention cycles, and protected by robust legal defensibility and coalition legitimacy. Conversely, prospectiveness degrades when political sanctions are treated as an input-driven exercise (counting packages and designations) rather than as an outcome-driven governance tool, or when implementation capacity and cohesion erode faster than the target's adaptation capacity.

Across the baseline, escalation, and partial de-escalation scenarios, the strategic functions that political sanctions reliably preserve—delegitimation, institutional constraint, coalition signalling, hybrid-domain resilience, and anti-circumvention support—remain relevant and policy-relevant through 2030. Under baseline continuation, political sanctions are most valuable as instruments of persistent friction and refusal of normalisation, sustaining a coherent response posture while supporting the closure of circumvention pathways. Under escalation, they provide a high-visibility and relatively rapid means of tightening the operating environment for hostile activity, provided the EU can maintain tempo and evidentiary quality. Under partial de-escalation, political sanctions remain valuable as a conditionality and reversibility framework that can structure sequenced adjustment without undermining deterrence. In all scenarios, the value proposition is therefore less about immediate coercion and more about durable governance effects that preserve EU strategic consistency and reduce the operational efficiency of hostile networks.

The report's synthesis across instrument groups supports a differentiated judgement. Listings remain the most flexible and scalable political instrument, with strong prospectiveness where targeting is network-based and integrated with anti-circumvention engineering; their key risks are list inflation and legal vulnerability, which can be mitigated by typology, evidentiary discipline, and periodic review. Visa and diplomatic restrictions remain prospectively valuable as refusal-of-normalisation and risk-management tools, especially where harmonised implementation and exception integrity are maintained; their key risks are implementation drift, reputational sensitivity, and capacity constraints, which require selective, risk-based refinement rather than maximalist closure. Media and information influence restrictions remain prospectively valuable as resilience instruments, but are uniquely adaptation-sensitive; their durability depends on high-tempo anti-circumvention maintenance, supply-chain and services disruption, and credible metrics. In aggregate, this indicates that the political

sanctions track can remain effective through 2030, but only if it is managed as an adaptive system rather than as a static list of prohibitions.

The binding constraints for prospectiveness are clear. Coalition cohesion and political throughput capacity set the tempo at which political sanctions can be updated to match adaptation. Administrative and digital capacity determines whether measures are implemented consistently and whether monitoring and evidence-building keep pace. Legal defensibility and proportionality determine sustainability in a rule-of-law environment and protect the regime from judicial and reputational erosion. These constraints imply that the “best value” continuation strategy is one that emphasises selective, high-impact targeting, continuous maintenance cycles, and strong integration with enforcement and compliance instruments. It also implies that risk management is not optional: counterproductive narrative effects, humanitarian spillovers, and coalition drift must be anticipated and mitigated through disciplined design, communications, and exception governance.

Accordingly, the summary judgement for 2026–2030 is that continuing political sanctions is highly prospectively justified, provided that the EU adopts a calibration approach that is: (1) network-oriented and anti-circumvention integrated for listings; (2) harmonised, risk-based, and exception-disciplined for visa and diplomatic measures; and (3) supply-chain focused, high-tempo, and metrics-driven for media restrictions. The regime should be anchored in a clear adjustment logic: escalation in response to defined triggers and conditional easing only under verifiable change, with strong reversibility safeguards. Under these conditions, political sanctions can continue to deliver durable strategic functions—delegitimation, resilience, and operational constraint—while reinforcing the cumulative effectiveness of the broader EU sanctions architecture against the Russian Federation through 2030.

2.4. Proposals to Increase Political Sanctions Pressure

2.4.1. Deepening Personalisation

Deepening personalisation is one of the most prospectively effective ways to strengthen the political sanctions track because it increases the precision of pressure while supporting the EU’s rule-of-law requirements of targeting, proportionality, and evidentiary clarity. In practical terms, “personalisation” should be understood not as an expansion of listings for its sake, but as a deliberate shift towards identifying and constraining individual decision-enablers, operational enablers, and key beneficiaries of the war-enabling and circumvention ecosystem. The objective is to raise the cost of participation and facilitation by shrinking the set of actors who can operate with low-friction access to international services, assets, and mobility, while also strengthening the delegitimation function and the external compliance gravity of EU measures. This approach is especially relevant in a mature sanctions’ environment, where marginal returns from broad, symbolic designations decline and where the highest operational value comes from targeting network nodes that sustain procurement, financing, logistics, information influence, and institutional durability.

A first direction for strengthening is functional segmentation of designations. The EU’s designation strategy should be structured around a typology that distinguishes, at minimum: (1) political and security decision-making nodes; (2) war-enabling administrative operators (mobilisation, procurement, occupation administration, coercive apparatus); (3) financial and corporate enablers (beneficial owners, trustees, nominee networks, family and proxy structures); (4) circumvention facilitators (brokers, freight and trade intermediaries, third-country service nodes with EU nexus); and (5) influence operators (media managers, propagandists, and coordinators of information influence operations). This segmentation increases effectiveness because it allows each designation “block” to be assessed and justified by its mechanism of impact, reducing list inflation and improving legal defensibility. It also

improves communications: the EU can explain clearly that designations are not a symbolic “name-and-shame” exercise, but a targeted disruption of war-enabling functions.

A second direction is moving from status-based to role- and network-based listings. The marginal value of listing high-profile figures decreases once key political leadership and obvious elites are already designated. The higher payoff lies in identifying those who make the system operable: procurement agents, compliance-evasion specialists, logistics coordinators, corporate service providers, and individuals who manage cross-border structures that preserve access to assets and services. The design principle is “function over fame”: prioritise actors whose removal from compliant markets and services produces measurable friction, forces costly substitution, and disrupts supply-chain and financial routing. This implies systematic use of network analysis to map beneficial ownership, control relationships, proxy directors, and recurring intermediary patterns. Where possible, designations should target clusters rather than single nodes, to prevent simple substitution by adjacent proxies.

A third direction is strengthening evidentiary robustness and identification precision, which is a necessary condition for personalisation to remain scalable and durable. For natural persons, designation files should be supported by clear statements of reasons, accurate identifiers, and up-to-date role descriptions, reducing litigation vulnerability and improving compliance usability. For network-based personalisation, evidentiary strategy should incorporate: (1) link analysis demonstrating control, ownership, or operational facilitation; (2) transactional indicators where legally available; (3) corporate registry evidence and open-source intelligence triangulated with Member State competent authority inputs; and (4) time-stamped role evidence to address the “role change” problem. This is not merely a legal constraint. It is an operational necessity, because private intermediaries rely on clarity to implement restrictions effectively. Higher evidentiary quality also supports faster anti-circumvention updates by reducing disputes about scope and identity.

A fourth direction is tightening the linkage between personal listings and mobility/visa controls, where legally and operationally appropriate. The EU’s political track is strongest when instruments reinforce each other: a designated individual should face not only asset and services constraints but also reduced physical operability in EU space, subject to legal requirements and the specific architecture of visa measures. This does not require indiscriminate travel restrictions. It requires coherent risk-based alignment so that high-risk, high-function individuals face a dense set of constraints across access channels. In governance terms, this alignment increases deterrence and reduces the capacity of designated actors to manage circumvention through on-the-ground coordination. It also increases the credibility of conditionality: personalisation is meaningful when it is reflected consistently across the sanctions’ ecosystem.

A fifth direction is expanding personalisation into the influence-operation and hybrid domain through targeted designations of coordinators, financiers, and organisational operators, not only public-facing propagandists. The media restriction regime reduces mainstream reach of certain outlets, but network-based personalisation can disrupt the enabling infrastructure: directors, editors-in-chief with operational authority, financing coordinators, and intermediaries that provide hosting, production, or monetisation support with an EU nexus. This is not designed as a general media policy. It is a sanctions tool targeting hostile influence operations linked to aggression and destabilisation. The operational advantage is that it shifts the pressure from easily replaceable brand labels to harder-to-replace organisational competence and funding channels. To preserve legal defensibility, such designations must be tied clearly to state control, coordination, or facilitation of hostile activity, with evidence sufficient to support proportionality.

A sixth direction is introducing a disciplined review and renewal mechanism for personalised measures to prevent both overbreadth and under-inclusiveness. A mature personalisation regime should be continuously maintained: new roles emerge, proxies replace designated individuals, and corporate structures mutate. A periodic review cycle—linked to the metrics model—should identify where designations have lost operational relevance (e.g., the individual has been fully replaced) and where

clusters should be updated to capture new proxies. This is not “weakening”; it is a method of keeping the regime aligned with operational reality. It also reduces legal vulnerability by demonstrating that designations are maintained on the basis of current evidence and risk, not simply inertia.

Finally, deepening personalisation should be implemented with explicit safeguards to protect coalition legitimacy: clear targeting logic, demonstrable nexus to war enabling or circumvention facilitation, and disciplined communications that emphasise function and responsibility rather than identity. In a long-horizon sanctions environment, personalisation remains one of the highest-value strengthening levers precisely because it can increase pressure density while remaining compatible with proportionality and rule-of-law constraints. The practical benchmark for success is not the number of new names, but the degree to which personalisation measurably increases compliance friction, disrupts enabling networks, and reduces the operational space for war-supporting and sanctions-evasion activity.

2.4.2. Extending Sanctions to Transit Elites and Para-State Structures

Extending political sanctions to transit elites and para-state structures is a logical next step in strengthening pressure where the Russian war-enabling system increasingly relies on intermediated access—through third-country jurisdictions, proxy ownership, and quasi-public corporate vehicles that sit between the state and the market. In a mature sanctions’ environment, direct state actors and prominent elites are often already constrained; the operational frontier shifts to those who maintain functional continuity: (1) brokers who can operate across jurisdictions, (2) business-political networks that control logistics and procurement pathways, and (3) para-state structures that provide financing, coordination, and institutional cover. The objective of this subsection is therefore to define how the EU can expand political sanctions in a way that targets transit capacity—the ability to move money, goods, influence, and services through intermediary ecosystems—while remaining compatible with legal defensibility, proportionality, and coalition sustainability. The focus is not on punitive breadth, but on strategic closure: reducing substitution channels that dilute the operational effect of existing measures.

A first direction is the structured targeting of transit elites as a functional category. “Transit elites” should be treated as individuals who are not necessarily part of the formal state hierarchy but who perform critical bridging roles: they connect sanctioned Russian entities to third-country markets, provide corporate and financial structuring, secure logistics and insurance arrangements, or mediate access to sensitive goods and services. In practical sanctions design, this category includes procurement brokers, freight and trade intermediaries, facilitators operating through free zones and transshipment hubs, owners or managers of corporate service vehicles used to disguise beneficial ownership, and high-trust intermediaries who provide reputational cover for transactions. The key design principle is to prioritise actors whose removal from EU-compliant services forces network reconfiguration and increases costs across multiple transaction pathways. Such designations should be clustered and evidence-based, focusing on recurring nodes rather than one-off actors, to prevent immediate substitution.

A second direction is expanding pressure on para-state structures that operate as institutional intermediaries between the Russian state and economic or influence activity. This category includes state-owned enterprises and their key subsidiaries in strategic sectors, quasi-state foundations and funds used for financing or procurement support, state-affiliated corporate groups that manage logistics, construction, or occupation-related projects, and other entities that provide administrative or financial scaffolding without being formally governmental bodies. The strategic advantage of targeting para-state structures is that they often combine state direction with market-facing interfaces; they therefore serve as conduits for procurement, funding, and foreign contracting. Political sanctions here can take two complementary forms: (1) entity listings (asset freezes and services denial via compliance gravity) and, (2) where legally available, tighter restrictions on services and enabling activities that support their operations. The critical governance requirement is to articulate the war-enabling or circumvention-facilitating nexus clearly, ensuring that measures remain defensible and are understood as disruption of hostile capacity rather than broad economic punishment.

A third direction is targeting third-country facilitation nodes with an EU nexus. While the EU does not apply extraterritorial sanctions in the same manner as some jurisdictions, it can still increase external compliance gravity by targeting intermediaries that depend on EU markets, EU financial services, EU insurance, EU ports, EU technology, or EU corporate presence. This includes third-country entities and individuals who provide sanctioned services (payments, crypto routing, trade finance, shipping management, or procurement brokerage) and whose operations intersect with EU jurisdiction. The design principle is to select targets where EU leverage is real: where denial of EU services or access materially increases the cost of continued facilitation. This approach also supports coalition signalling: it communicates that structured circumvention through third countries will attract targeted pressure. To preserve legitimacy and manage diplomatic sensitivity, the targeting must be tightly evidenced and framed as anti-circumvention enforcement rather than as pressure on third countries as such.

A fourth direction is integrating transit-elite and para-state targeting with anti-circumvention engineering. The effectiveness of these measures depends on the tempo at which proxies are identified and re-designated as networks adapt. This requires institutionalising a monitoring loop that draws on customs and trade anomaly data, financial intelligence, corporate registry analysis, and reputable investigative reporting. Operationally, the EU should prioritise network clusters: when a facilitator is designated, associated corporate shells, nominee directors, and service providers that enable continuity should be mapped for follow-on action. This reduces substitution value and prevents the regime from being gamed through rapid corporate reconfiguration. In governance terms, this approach also improves proportionality: it targets the network's enabling functions rather than sweeping categories.

A fifth direction is managing political and legal sensitivity through typology, evidence, and communication discipline. Transit elites and para-state structures often operate in grey zones, and designation decisions can be politically contentious, especially where third-country actors are involved. To reduce litigation and reputational risk, designations should be anchored in a clear mechanism of sanctionable conduct: measurable facilitation of sanctions evasion, material support to war-enabling activity, or coordination of hostile influence operations. Communications should avoid broad insinuations and focus on specific behaviours and roles. Within the EU, this discipline protects coalition cohesion; externally, it reduces the risk of diplomatic misinterpretation by framing measures as enforcement of EU restrictive measures rather than as geopolitical pressure on third states.

A sixth direction is linking this expansion to impact-oriented metrics. Because the objective is closure of substitution channels, effectiveness should be monitored via indicators such as: (1) reductions in specific circumvention routes, (2) increased transaction friction in targeted corridors, (3) shifts in trade anomaly patterns, and (4) observed changes in intermediary networks following designations. This also supports calibration: where designations do not produce measurable disruption, the network model should be refined; where disruption is observed, follow-on designations should consolidate gains. Metrics are therefore not optional; they are the mechanism by which the EU can avoid list inflation and maintain strategic focus on high-impact transit capacity.

Overall, extending political sanctions to transit elites and para-state structures is prospectively valuable through 2026–2030 because it addresses the central dynamic of a mature sanctions' environment: adaptation via intermediaries. The strategic aim is to reduce the availability of low-risk bridging actors and quasi-state conduits that keep war-enabling and circumvention systems operational. The most effective approach is selective and network-based: target the nodes that connect Russia's war-enabling system to external markets and services, prioritise those with an EU nexus, integrate designations with anti-circumvention engineering, and maintain legal defensibility through evidence and disciplined communication. Done in this manner, the expansion can materially increase the operational density of the political sanctions regime without requiring maximalist escalation and without undermining coalition legitimacy.

2.5. Conclusion

Part Two frames political sanctions as a distinct class of restrictive measures whose primary mechanism is the narrowing of a target state’s diplomatic room for manoeuvre, institutional participation, and international legitimacy, rather than the direct infliction of quantifiable economic damage. It stresses that treating political sanctions as merely “symbolic” is analytically misleading, because contemporary political isolation regimes can generate practical constraints on negotiation channels, coalition-building capacity, and access to influence platforms. The section therefore defines political sanctions by their dominant impact channel—delegitimation and political-institutional restriction—while also recognising that these measures frequently reinforce sectoral and personal measures by shaping the normative coalition environment. It emphasises the multilayered nature of implementation: some political restrictions are codified in legal acts, while others operate through coordinated diplomatic practice, institutional choices, and coalition signalling. A key methodological point is that political sanctions must be assessed through multi-dimensional criteria, including international consolidation and the durability of the isolation regime, rather than by a single “behaviour change” test. The report also highlights that political sanctions often function as the initial framework that stabilises later escalation in economic and legal domains. It positions political sanctions as an instrument of governance as much as foreign policy, because they organise coalition coherence and raise reputational costs for facilitation. This conceptual base sets up the later review sections to treat political measures as operationally meaningful within the overall sanctions’ architecture.

The review then reconstructs the rationales for political sanctions and links them to a broader interpretive context in which European institutions and partners view Russia’s actions as a systemic challenge to international law and European security norms. The report’s logic is that political sanctions “fix” a shared qualification of events and thereby create a stable normative baseline for subsequent restrictive measures. It underscores that the causal story is not event-only but structural: political sanctions reflect accumulated tensions and a perceived threat to the European order, which is why the coalition has sustained measures over multiple years. This helps explain why political instruments persist even when their material impact is difficult to measure in economic indicators. The analysis also highlights that political sanctions work partly through signalling and reputational effects that convert into compliance behaviour by private and public intermediaries. In this sense, the “compliance gravity” of the regime is supported by political delegitimation, because actors anticipate regulatory and reputational risk from association with designated networks. The report treats this as a practical channel, not an abstract moral stance: risk management becomes a behavioural transmission mechanism. The outcome is a pressure environment in which the cost of normalisation rises for third parties, which indirectly supports the enforcement of economic and technological restrictions. This is why political sanctions are positioned as foundational rather than auxiliary.

A substantial portion of Part Two examines the “personalisation” track through individual restrictive measures (listings), emphasising that listings are not a decorative appendix to sectoral sanctions but an increasingly autonomous channel of targeted pressure. The report explains the legal architecture that enables listings to operate at scale through consolidated acts and recurring implementing decisions, which makes them highly reproducible and adaptable over time. It highlights a key shift: listings evolve from status-based, high-profile designations toward more function- and network-based targeting of operational enablers, facilitators, and beneficiaries. The analytical emphasis is on network effects—how designations disrupt enabling infrastructures such as procurement, logistics coordination, proxy ownership, and service access—rather than simply punishing symbolic figures. This is reinforced by the idea that listings can be updated more frequently than major sectoral bans, allowing the coalition to sustain “sanctions tempo” even when broader escalation is politically costly. The report also points out that legal robustness and evidentiary discipline are decisive for maintaining scalability, because weak dossiers create litigation vulnerability and reduce compliance usability. It frames this as a rule-of-law constraint that is not merely legalistic but operational, since compliance teams require clear identifiers

and reasons to implement restrictions reliably. As the regime matures, this combination of precision and update capacity makes listings one of the most flexible tools for maintaining political pressure.

Part Two also covers the wider political domain beyond listings, including visa, diplomatic, and information-influence restrictions, treating them as a coherent track even when their legal bases differ. The report's evaluative logic is that these instruments constrain international manoeuvrability and reduce the capacity to normalise relations without verifiable changes in baseline conditions. It treats political sanctions as particularly effective at maintaining coalition coherence and public signalling, which matters in prolonged conflict settings where credibility and deterrence are cumulative. At the same time, it acknowledges structural constraints: coalition manageability, proportionality, and the risk of diminishing marginal returns if measures become repetitive or insufficiently targeted. The "prospectiveness" analysis for 2026–2030 is framed as conditional effectiveness: whether measures remain implementable, legally robust, and strategically useful under plausible future conditions, rather than whether they can force a predictable strategic reversal. This approach explicitly anticipates adaptation and circumvention pressures, arguing that effectiveness should be interpreted as the capacity to maintain pressure under adaptation. It also anticipates that governance capacity—update tempo, coherence of messaging, and enforcement discipline—will increasingly determine marginal effectiveness as the regime matures. The report therefore moves the reader away from snapshot judgments and toward an operating-range model of political sanctions. This is consistent with the broader analytical stance of treating sanctions as a governance system that must be maintained, not a one-off decision that either "works" or "fails".

The proposals section advances a practical tightening agenda focused on deepening personalisation through segmentation, network targeting, and improved evidentiary quality, with the explicit aim of increasing precision while remaining compatible with EU rule-of-law requirements. The report recommends shifting from "fame-based" to "function-based" designation logic by prioritising decision-enablers, operational facilitators, proxy ownership managers, and influence operators whose removal produces measurable friction in financing, procurement, logistics, and information channels. It emphasises that segmentation improves both defensibility and communication, allowing the coalition to explain designations as disruption of war-enabling functions rather than indiscriminate naming. The recommendations also implicitly treat political sanctions as the coordination layer that keeps the overall sanctions architecture socially and diplomatically coherent, reducing the risk of premature normalisation. The underlying analytical claim is that the highest value comes from targeting clusters rather than isolated nodes, because clusters reduce the scope for simple substitution by adjacent proxies. The section also stresses that the long-run effectiveness of political sanctions depends on maintaining update tempo and compliance clarity, since ambiguity and uneven enforcement weaken deterrence and create arbitrage spaces. In aggregate, Part Two concludes that political sanctions are most effective when they are engineered as a durable governance track: legally robust, network-oriented, regularly updated, and integrated with other sanctions domains through compliance-mediated pressure. It positions the political track as a necessary condition for sustaining the coherence and enforceability of the broader sanctions' regime through 2030, even though it is not, on its own, a mechanism for predictable strategic capitulation.

PART THREE

Sanctions in the Economic Sphere and Their Effectiveness

3.1. General Characteristics of Economic Sanctions

3.1.1. Economic Sanctions as a Form of Structural Pressure

Economic sanctions in the EU and partner architecture against the Russian Federation should be understood primarily as structural pressure instruments rather than as discrete punitive acts. “Structural pressure” in this context refers to a deliberate reconfiguration of the target state’s operating environment across finance, trade, technology, transport, and services in order to constrain macro-level capacity, degrade medium-term growth potential, and increase the cumulative costs of sustaining a war-enabled economic model. The logic is not simply to remove a single revenue stream or to block a single sector, but to impose a multi-domain constraint set that forces substitution into less efficient channels, increases transaction friction, reduces access to advanced inputs, and raises the long-run opportunity cost of continued aggression. In practical policy terms, structural pressure works through persistent frictions and systemic constraints: the target can adapt at the margin, but each adaptation route becomes more expensive, slower, and less scalable. This conceptualisation is essential for a correct effectiveness assessment, because it aligns evaluation with the real mechanism of sanctions impact: cumulative erosion of capability and optionality, rather than immediate political capitulation.

A first component of structural pressure is financial system constraint, which reduces the flexibility with which the state and its affiliated entities can mobilise, store, and move value internationally. Financial sanctions do not merely punish individual banks; they are intended to reshape the external connectivity of the financial system, increase the cost of cross-border settlements, limit access to reserve assets and correspondent banking networks, and raise the risk profile of dealing with Russian counterparties. Over time, such constraints alter the state’s macroeconomic policy space: they increase the cost of stabilisation, complicate the financing of imports and critical inputs, and reduce the efficiency of capital allocation. In a war economy context, where the state seeks to prioritise defence procurement, mobilisation, and industrial conversion, the loss of low-friction financial channels raises the fiscal and quasi-fiscal burden of sustaining these priorities. The structural pressure mechanism therefore operates not only through immediate restrictions, but through the forced re-routing of transactions and the erosion of trust and predictability in the financial interface with the outside world.

A second component is technology and industrial-input denial, which targets the long-run productive capacity of the economy rather than its short-run trade volumes alone. Restrictions on dual-use items, advanced electronics, machine tools, aviation components, energy extraction technology, and other critical inputs are designed to degrade the ability of the Russian economy to maintain and modernise complex industrial systems, including those with military relevance. Structural pressure in this domain functions as a “capability ceiling”: even if substitute suppliers exist, substitutes tend to be more expensive, lower quality, slower to integrate, and less reliable at scale. Over a multi-year horizon, the compounded effect is slower productivity growth, increased maintenance and failure costs, and a gradual deterioration of technological sophistication. This is precisely why export controls and technology restrictions are central to a structural-pressure approach: they operate through time, compounding constraints on the economy’s ability to regenerate high-value capacity.

A third component is trade and services disconnection, which narrows market access, limits the availability of critical business services, and increases the cost of operating internationally. The structural effect is not limited to the loss of particular imports or exports; it lies in the fragmentation of supply chains and the removal of high-trust commercial interfaces. Restrictions on professional services, accounting, consulting, engineering support, and other knowledge-intensive services can be particularly impactful because they erode organisational capacity and reduce the quality of decision-making and compliance for complex cross-border operations. In combination with goods restrictions, services disconnection increases the internal burden of substituting capabilities and forces firms and state entities to rely on less efficient intermediaries. The result is a long-run decline in integration and efficiency, which functions as structural pressure on growth and competitiveness.

A fourth component is transport and logistics constraint, which increases the friction of physical trade flows and raises insurance, compliance, and routing costs. Restrictions affecting aviation, maritime services, port access, and shipping insurance reshape the geography and economics of trade, compelling re-routing through longer corridors and reliance on higher-risk fleets and intermediaries. Even where trade continues, it does so with higher transaction costs, reduced reliability, and greater exposure to disruption. This matters structurally because logistics is a multiplier: increased friction at the transport layer propagates into higher costs across the economy, reducing the efficiency of both civilian and military supply chains. In a protracted conflict, the capacity to move goods reliably and cheaply becomes strategically significant; sanctions that raise systemic logistics costs therefore create persistent structural pressure.

A fifth component is reputational and compliance gravity, which extends the effect of formal legal restrictions through private-sector risk management. In modern sanctions regimes, much of the practical impact is mediated by banks, insurers, platforms, and corporates that de-risk exposure beyond strict legal requirements. This creates a structural effect: even permitted transactions can become slower, more costly, and more uncertain because counterparties apply higher scrutiny or avoid engagement altogether. For the Russian economy, this reduces the reliability of external interfaces and increases the price of accessing global services and markets. The effect is cumulative and self-reinforcing: the longer sanctions persist, the more compliance systems, internal risk models, and contractual clauses embed the assumption of Russia-related risk. Structural pressure therefore includes the “institutionalisation of risk” in global commerce, which persists even when particular restrictions are adjusted.

Finally, structural pressure implies that effectiveness should be assessed on a multi-year horizon using indicators consistent with cumulative constraint: changes in external financing conditions, degradation of high-tech import capability, substitution costs, supply-chain elongation, insurance and transport premiums, industrial maintenance burdens, and the overall efficiency of war-economy conversion. It also implies that the target’s apparent resilience in short periods—through re-routing, capital controls, or fiscal mobilisation—does not necessarily refute structural pressure; it may instead signal short-term stabilisation achieved at the cost of long-term degradation and higher future vulnerability. Accordingly, the analytical task in Part 3 is to identify which economic sanctions channels produce the strongest structural constraints, where adaptation is reducing marginal effect, and what calibration could increase the durability and density of structural pressure through 2026–2030.

3.1.2. Distinction from Classical 20th-Century Trade Embargoes

The EU and partner sanctions regime against the Russian Federation differs fundamentally from classical 20th-century trade embargoes in both design logic and operational mechanics. Traditional embargoes were typically conceived as broad prohibitions on trade with a target state, often focused on a limited set of commodities or on comprehensive import/export bans. They were frequently bilateral or limited-coalition measures, applied in an era of lower financial globalisation, less digitised commerce, and less developed compliance infrastructures. By contrast, the contemporary sanctions architecture

applied to Russia is best described as a multi-layered, system-of-systems regime: it combines targeted financial constraints, technology denial, services restrictions, transport and insurance limitations, and anti-circumvention measures, alongside political instruments such as listings, visa restrictions, and media measures. The intent is not merely to halt trade, but to reshape the structure of the target's international operating environment and to constrain state capacity over time. Understanding this distinction is essential for evaluating effectiveness: it changes what "success" means, how pressure accumulates, and how adaptation is managed.

A first distinction is precision and modularity versus blanket prohibition. Classical embargoes often aimed for maximal coverage—banning broad categories of trade in a relatively uniform way. The Russia regime is more modular: different sectors are treated differently, with calibrated restrictions that can be intensified, updated, or narrowed without dismantling the entire framework. This modularity reflects both policy and coalition realities: the EU must manage internal economic exposure, supply security, and the varying sensitivities of Member States, while still sustaining credible pressure. It also reflects strategic learning: targeted restrictions on key enabling inputs and financial interfaces can produce structural effects without requiring absolute trade cessation. Consequently, the regime's effectiveness is not judged primarily by whether trade volume collapses, but by whether critical capabilities and high-value interfaces are degraded.

A second distinction is financial and monetary system integration. Many 20th-century embargoes operated in a world where cross-border finance played a smaller role in day-to-day trade and where payment systems were less centralised and digitised. The modern regime against Russia places the financial interface at the centre: restrictions on banks, access to capital markets, reserve-related constraints, correspondent relationships, and payment connectivity operate as high-leverage choke points that can affect multiple sectors simultaneously. This is a defining feature of contemporary sanctions: financial restrictions can propagate across the economy even where trade in certain goods continues through third countries or permitted channels. As a result, the key pressure mechanism is often transaction friction and risk escalation rather than simple prohibition of physical trade.

A third distinction is technology and services denial as a primary pressure vector. Classical embargoes often targeted commodities or broad categories of goods, with less systematic focus on intangible services and advanced technological inputs. The EU regime against Russia includes extensive restrictions on dual-use items, advanced components, aviation and industrial technologies, and a range of professional and business services. This reflects a modern understanding of capability: the long-run performance of a complex economy depends not only on access to commodities, but on access to high-end inputs, maintenance and engineering services, software, specialised equipment, and knowledge-intensive support. By targeting these inputs, the regime aims to impose a long-term capability ceiling and industrial degradation pressure. This is structurally different from embargo logic focused on immediate trade stoppage; it is closer to an "attrition of capability" model.

A fourth distinction is the role of private-sector compliance as an enforcement multiplier. In many historical embargoes, enforcement depended heavily on state controls at borders and on explicit prohibitions, with less emphasis on private compliance systems. The contemporary EU regime relies extensively on banks, insurers, logistics operators, platforms, and corporates implementing restrictions through sanctions screening, risk-based refusal, contract clauses, and de-risking decisions that often go beyond the strict minimum required by law. This "compliance gravity" is a major differentiator: it transforms sanctions from a purely governmental instrument into a hybrid public-private governance system. The effect is cumulative: as compliance systems internalise Russia-related risk, even permitted activity can become slower and more costly. This is not a feature of classical embargoes to the same extent, and it changes both the durability and the distribution of sanctions effects.

A fifth distinction is anti-circumvention engineering and iterative updating. Classical embargoes were often static: once imposed, they were modified infrequently and enforcement focused on direct trade routes. The Russia sanctions regime is explicitly iterative and anti-circumvention oriented, with

successive packages expanding lists, tightening definitions, addressing re-export risks, and targeting “shadow” logistics and intermediary networks. This reflects a recognition that the target will adapt through third countries, proxies, and rerouting. Consequently, the regime is designed to be maintained through continuous updates, not to function as a one-off shock. This again changes evaluation: effectiveness depends on tempo, monitoring capacity, and governance throughput, not only on the initial design.

A sixth distinction is coalition scale and cross-jurisdictional density, even if universality is incomplete. Many 20th-century embargoes were imposed by a limited coalition or had weaker coordination mechanisms, creating wide substitution opportunities. The Russia regime is built around a dense coalition architecture—EU, G7, and other partners—supported by regular coordination and converging compliance expectations among major global intermediaries. While the regime is not universally adopted and substitution routes remain, the scale of aligned jurisdictions significantly raises the cost of circumvention and reduces the set of low-risk pathways. This coalition density is also reinforced by the EU’s market and regulatory gravity, which shapes third-country and private-sector behaviour. As a result, the regime’s reach extends beyond formal borders through risk and compliance channels, a dynamic largely absent from classical embargo logic.

Finally, these distinctions imply an important methodological consequence: the contemporary sanctions regime should not be evaluated using the simplistic embargo-era metric of “trade stopped / trade continued”. The appropriate evaluative frame is structural and multi-dimensional: capability degradation, transaction friction, technology denial, services disconnection, logistics cost inflation, and compliance-driven risk institutionalisation. It also requires time-sensitive interpretation: short-term resilience through rerouting and state mobilisation does not refute structural pressure; it may indicate that the economy is absorbing shocks at the cost of efficiency and long-run potential. Therefore, the distinction from classical embargoes is not merely descriptive; it establishes the analytical baseline for the remainder of Part 3, where effectiveness is assessed through cumulative constraints, adaptation dynamics, and the sustainability of enforcement through 2026–2030.

3.2. Overview of Economic Sanctions

3.2.1. Financial Sanctions and the Banking Sector

3.2.1.1. Legal Instruments and Dates

EU financial sanctions against the Russian Federation are anchored in a dual-track legal architecture: (i) sectoral restrictive measures adopted and iteratively amended under Council Regulation (EU) No 833/2014 (and the corresponding Council Decision 2014/512/CFSP), and (ii) listing-based measures (asset freezes and prohibitions on making funds and economic resources available) adopted under Council Regulation (EU) No 269/2014 and related CFSP acts. Within 3.2.1, the primary focus is the sectoral financial track under Regulation 833/2014, because it structures the binding prohibitions affecting banking connectivity, access to capital markets, central bank reserves management, deposits, and crypto-asset services, while listings operate as a complementary mechanism that targets specific financial and corporate nodes. The financial package sequence since late February 2022 demonstrates a consistent move from high-salience restrictions (e.g., central bank reserve-management constraints and SWIFT disconnections) towards progressively denser measures that address services, instruments, and circumvention pathways through iterative amendments.

From an instrument-design perspective, the EU financial sanctions corpus can be mapped into five recurring “legal blocks” that reappear and expand across packages: (1) restrictions on transactions linked to the management of Central Bank of Russia reserves and assets; (2) restrictions on access to

EU capital markets and on dealing in specified transferable securities and money-market instruments; (3) restrictions on provision of certain financial services and on specific banking interfaces (including SWIFT disconnection for designated banks); (4) restrictions on deposits and custody-type services (including crypto-asset wallet/account/custody services); and (5) auxiliary restrictions that influence cash and settlement convenience (e.g., euro banknotes export bans), alongside expanding anti-circumvention framing and guidance. The operational character of these blocks is important for later evaluation: several measures act as “choke points” (payment connectivity, reserve management, capital market access), while others act as cumulative friction multipliers (services and compliance restrictions).

Chronologically, the first decisive step in the 2022 escalation phase was the adoption of amendments to Regulation 833/2014 that introduced the central bank–related restriction and tightened capital market measures. Council Regulation (EU) 2022/328 (25 February 2022) is widely treated as the foundational amendment for the early phase: it amended Regulation 833/2014 and, among other measures, introduced the prohibition on transactions related to the management of the reserves and assets of the Central Bank of Russia (as implemented through the relevant provisions in Regulation 833/2014). This measure is strategically significant because it targets macro-financial policy space, rather than a single commercial channel, and therefore functions as a structural constraint on external reserve operations rather than a conventional trade restriction.

The next early financial tightening step included restrictions designed to raise friction in routine cross-border settlement and cash operations. Council Regulation (EU) 2022/334 (28 February 2022) amended Regulation 833/2014 and is relevant in the financial sanctions narrative for restrictions that affect, *inter alia*, the export of euro banknotes to Russia (operationalised in Regulation 833/2014, Article 5i, with specific exemptions). While this instrument is not a macroeconomic “choke point” in the same way as central bank restrictions, it matters for the operational environment because it signals a deliberate move to constrain certain low-friction cash channels and to increase compliance boundaries around cash provision.

A further key milestone in the banking interface track is the SWIFT-related disconnection mechanism under Regulation 833/2014. Council Regulation (EU) 2022/345 (1 March 2022) amended Regulation 833/2014 to introduce the legal basis for SWIFT disconnection for designated banks (implemented through the relevant provisions and annexes in the amended regulation). In practical terms, the SWIFT measure functions as a connectivity constraint: it does not, by itself, prohibit all payments, but it substantially increases operational friction by disabling access to a critical messaging infrastructure for the named institutions and their Russia-based subsidiaries. The linkage between the legal act and the operational step is explicitly acknowledged by SWIFT in its public compliance communications, which is useful for evidentiary documentation of implementation timing.

As sanctions evolved into a system-of-systems regime, the EU expanded restrictions affecting financial services and compliance-relevant interfaces. Council Regulation (EU) 2022/428 (15 March 2022) and Council Regulation (EU) 2022/576 (8 April 2022) are representative examples of this “densification” phase, where amendments to Regulation 833/2014 introduced or refined prohibitions affecting a wider set of services and restrictions. For the banking and finance narrative specifically, Regulation 2022/576 is a key milestone because it explicitly addressed crypto-asset wallet/account/custody services for Russian nationals/residents and Russia-established entities (initially with a threshold, later strengthened), thereby acknowledging the growing sanctions-evasion relevance of crypto intermediation and creating an enforceable compliance perimeter for EU operators.

The regime subsequently tightened and expanded crypto-related prohibitions. Council Regulation (EU) 2022/1904 (6 October 2022) is relevant as an amendment to Regulation 833/2014 that, among other measures, strengthened the crypto-asset services prohibition by removing the earlier threshold approach and moving towards a broader restriction model. This evolution is important for later effectiveness analysis: it illustrates the EU’s shift from threshold-based risk management to more

categorical prohibitions where circumvention risk and substitution dynamics were judged to be sufficiently material.

Beyond the early 2022 phase, subsequent packages continued to extend SWIFT disconnections and refine banking-related prohibitions through further amendments to Regulation 833/2014. For example, Council Regulation (EU) 2023/1214 (23 June 2023) amended Regulation 833/2014 and is widely cited in EU sanctions documentation as part of the continuing package cycle that extended the regime across sectors, including banking-related elements where applicable. For a properly audit-ready register, the analytical task is not to treat later packages as monolithic “events”, but to identify the specific legal instruments that (a) expand the list of designated banks for SWIFT disconnection, (b) tighten the categories of prohibited financial services, and (c) add anti-circumvention hooks that operationally matter for banking compliance.

Finally, because the enforceability of financial sanctions depends heavily on consistent interpretation and implementation, the EU’s sanctions governance includes a complementary layer of official guidance. The Commission’s Consolidated FAQs on the implementation of Council Regulation No 833/2014 and Council Regulation No 269/2014 (periodically updated) are not primary legal instruments, but they are operationally critical for banking compliance and for consistent Member State practice. In an audit-ready report, these guidance documents should be recorded explicitly as “implementation instruments” to document interpretative positions that shape real-world application, including in the domains of payments, deposits, and service prohibitions.

Table 3.2.1.1-1. Key EU Legal Instruments for Financial Sanctions and Banking Restrictions (2014–2023; selected core milestones)

Date	EU instrument	Legal type	Primary financial/banking measure(s) (indicative)	Implemented via / notes
31 Jul 2014	Council Regulation (EU) No 833/2014	Regulation	Sectoral restrictive measures: capital market restrictions; financial services constraints; baseline framework for later banking measures	Core legal backbone for economic/financial restrictions; subsequently amended repeatedly.
31 Jul 2014	Council Decision 2014/512/CFSP	CFSP Decision	CFSP framework corresponding to Regulation 833/2014 measures	Political/legal CFSP anchor corresponding to the sectoral regulation framework.
25 Feb 2022	Council Regulation (EU) 2022/328	Amending Regulation	Transactions related to management of Central Bank of Russia reserves/assets; tightening of capital market restrictions	Amends Regulation 833/2014; foundational early-2022 financial tightening.
28 Feb 2022	Council Regulation (EU) 2022/334	Amending Regulation	Financial frictions including export ban on euro banknotes (Article 5i in 833/2014)	Amends Regulation 833/2014; euro banknotes restriction subsequently clarified in Commission guidance.
1 Mar 2022	Council Regulation (EU) 2022/345	Amending Regulation	SWIFT disconnection legal basis for designated Russian banks	Implemented via relevant provisions/annexes in amended 833/2014; operational implementation acknowledged by SWIFT.
15 Mar 2022	Council Regulation (EU) 2022/428	Amending Regulation	Additional financial/services restrictions (banking and finance-related densification)	Amends Regulation 833/2014 as part of early 2022 package sequence.
8 Apr 2022	Council Regulation (EU) 2022/576	Amending Regulation	Crypto-asset wallet/account/custody services restriction (threshold-based at adoption)	Amends Regulation 833/2014; key step in crypto-related compliance perimeter.

Date	EU instrument	Legal type	Primary financial/banking measure(s) (indicative)	Implemented via / notes
6 Oct 2022	Council Regulation (EU) 2022/1904	Amending Regulation	Strengthening of crypto-asset services prohibition (removal of earlier threshold approach)	Amends Regulation 833/2014; reflects shift towards broader crypto restriction model.
23 Jun 2023	Council Regulation (EU) 2023/1214	Amending Regulation	Continued package amendments, including banking-related elements where applicable (e.g., further SWIFT and finance-related tightening)	Amends Regulation 833/2014; serves as a reference point for later package cycles.
Jan 2024 (updated periodically)	Consolidated FAQs on implementation of Reg. 833/2014 & 269/2014 (Commission services)	Guidance (working document)	Operational interpretations for banking and finance restrictions (payments, deposits, services, exemptions)	Not a legal act; important for consistent implementation and audit trail of interpretative positions.

Authorship: analytical framework (this report) was prepared on the basis of official EU institutional materials, EU legal acts and documents

Sources:

- EUR-Lex (Official Journal / ELI pages for each cited act): Regulation 2022/328, Regulation 2022/334.
- Regulation 2022/345; Regulation 2022/428.
- Regulation 2022/576; Regulation 2022/1904.
- Regulation 2023/1214; consolidated 833/2014 version reference
- European Commission services, consolidated FAQs on the implementation of Council Regulation No 833/2014 and Council Regulation No 269/2014.

3.2.1.2 Objectives and Strategic Logic

EU financial sanctions against the Russian Federation are designed to function as structural constraints on the external interface of the Russian economy rather than as isolated punitive actions against individual banks. Their strategic objective is to reduce the efficiency, reliability, and scalability of cross-border finance by narrowing the set of compliant channels through which Russia can mobilise, store, move, and convert value. In practice, this means compressing the space in which the state and its affiliated entities can conduct international transactions at low cost and low risk, thereby raising the long-run price of sustaining a war-enabled economic model. The regime is deliberately layered: certain measures act as choke points that affect the entire system, while others operate as persistent friction multipliers that increase uncertainty and compliance costs across many transactions. This architecture reflects a realistic assumption: a modern economy cannot be “switched off” financially without near-universal alignment, but it can be forced into less efficient corridors that degrade capability over time. The intended outcome is therefore cumulative: a progressive reduction in optionality and the forced substitution of high-trust, high-efficiency financial interfaces with lower-trust, higher-cost alternatives. In this sense, “effectiveness” must be interpreted as sustained constraint and rising friction, not as an immediate cessation of all flows. The policy design also implies that financial sanctions are most powerful when integrated with export controls, logistics restrictions, and anti-circumvention enforcement, because finance is the connective tissue that enables other domains. The strategic logic is therefore systemic: constrain the interfaces that allow the state to convert revenues into operational capability and to finance imports of critical inputs.

A first core objective is to constrain the Russian state’s macro-financial stabilisation capacity by restricting transactions linked to the management of Central Bank of Russia (CBR) reserves and assets. This measure targets the state’s ability to deploy external reserve buffers through counterparties in relevant jurisdictions, thereby reducing the effectiveness of classic stabilisation tools such as reserve-backed foreign exchange interventions. Strategically, it does not need to eliminate domestic monetary control to be impactful; it needs to increase the marginal cost of stabilisation and force greater reliance on administrative measures such as capital controls and domestic liquidity operations. Over time, this changes the quality of the policy space: reserves may exist on paper, yet be less usable for the intended

stabilisation functions in moments of stress. The measure also has an important signalling component to global intermediaries: reserve-related operations become a heightened compliance risk, discouraging engagement beyond the minimum required by law. In a war economy setting, these objective matters because the state must maintain macro stability while simultaneously reallocating resources towards defence procurement and mobilisation. By narrowing external stabilisation capacity, the sanctions regime increases the fiscal and quasi-fiscal burden of war financing and raises sensitivity to shocks, including commodity price volatility and further sanctions tightening. The logic is therefore not “collapse now”, but “stability becomes more expensive and less predictable”. This constitutes structural pressure because it accumulates through time and influences multiple economic channels simultaneously.

A second objective is to degrade the efficiency of cross-border settlement and correspondent connectivity for Russian banks and their counterparties. The SWIFT disconnection mechanism is best understood as a high-friction intervention in the payment interface: it does not prohibit all payments, but it removes a standardised, low-latency messaging layer for designated institutions and thereby forces rerouting. The strategic logic is to increase the number of steps, intermediaries, and compliance checks required for any transaction that touches the restricted perimeter, raising both direct costs (fees) and indirect costs (delays, errors, refusals). This type of friction is economically consequential because it propagates beyond the banking sector into trade and services: slower and less reliable settlement increases the working-capital burden of importers and exporters and raises the risk premium priced into contracts. As routings become more complex, counterparties become more cautious, and the probability of “de-risking” increases even where specific transactions remain technically lawful. Over time, this supports a de-integration outcome: fewer institutions are willing to maintain active Russia-facing correspondent relationships, and those that do demand higher compensation and stricter documentation. The intended effect is therefore to reduce the attractiveness of Russia-linked business for the global financial sector by making it systematically more operationally costly and reputationally risky. This objective is compatible with partial trade continuation; the mechanism is to make continuation less efficient and less scalable. From a sanctions’ governance viewpoint, the measure also creates a durable compliance signal that allows private actors to internalise risk and adjust behaviour beyond the narrow legal minimum.

A third objective is to restrict access to EU capital markets and sophisticated financial intermediation, thereby increasing the cost of capital and degrading long-term investment capacity. Capital market restrictions are structurally important because they affect the state and large entities at the level of financing architecture: they reduce access to deep pools of low-cost funding, limit the ability to issue and deal in specified securities, and restrict the provision of financing and investment services. These pushes financing back onto domestic sources, state-directed credit, or opaque third-country arrangements that tend to be more expensive and less reliable. The strategic logic is not simply to reduce borrowing volumes, but to shift the composition and quality of financing in ways that lower efficiency and increase macro vulnerability. In a war economy, where financing needs rise and the state reallocates credit towards defence priorities, reduced external financing options intensify the trade-offs: inflation management becomes harder, real interest rates may rise, and private investment is crowded out. Over time, such constraints can depress productivity growth and reinforce structural degradation when combined with technology denial and export controls. The regime also targets market infrastructure effects: restrictions reduce the ability to hedge and manage risk through EU-based instruments and services, further increasing the risk premium of external operations. This objective therefore supports the broader structural pressure model by constraining the financial interface that underpins modernisation and complex cross-border investment. It is also a compounding mechanism: the longer restrictions persist, the more financing architectures adapt away from EU channels, and the harder it becomes to restore pre-war integration.

A fourth objective is to close substitution pathways that the Russian state and private actors might use to bypass core constraints, particularly in deposits, custody services, and crypto-asset services. This

layer is explicitly anti-circumvention oriented: it aims to prevent EU-regulated providers from becoming an alternative interface through which value can be stored, moved, or obscured. Deposit-related restrictions reduce the attractiveness of EU financial institutions as a safe harbour or settlement base for certain categories of Russian nationals and Russia-established entities. Crypto-asset wallet/account/custody restrictions address a specific evasion risk: the potential use of digital asset service providers to route value, settle transactions, or provide custody functions that weaken the effect of traditional banking restrictions. The evolution from threshold-based constraints to broader restrictions illustrates a key strategic lesson: partial limits can be gamed through structuring behaviour, splitting exposures, and using multiple intermediaries. The sanctions design therefore seeks to increase the cost and reduce the feasibility of substitution by tightening the compliance perimeter around enabling services. This is not an attempt to regulate crypto markets in general; it is a targeted denial of EU-based enabling capacity in a domain that is frequently used for cross-border routing and obfuscation. Strategically, the objective is to push any attempted substitution into narrower, riskier corridors that are less scalable and more prone to disruption. This closure logic is essential for maintaining the effectiveness of core choke points; without it, adaptation would rapidly dilute the operational impact of SWIFT and capital market measures.

A fifth objective is to generate and sustain compliance gravity, i.e., a private-sector risk response that amplifies the effect of formal prohibitions. In contemporary sanctions regimes, the largest multiplier is often not a single legal rule but the behaviour of banks, insurers, corporates, and platforms that internalise Russia-related risk and de-risk exposure. The EU sanctions architecture leverages this dynamic: by clearly identifying prohibited behaviours and high-risk categories, it encourages intermediaries to apply enhanced due diligence, to refuse borderline transactions, and to reduce overall exposure. This mechanism is particularly powerful in finance because the system is networked: once a few major intermediaries tighten their risk thresholds, the effect propagates across many counterparties and sectors. The strategic logic is therefore to move from “legal prohibition” to “behavioural constraint” through risk institutionalisation. However, this also imposes governance requirements: if legal definitions are ambiguous or inconsistent, compliance may become uneven, creating arbitrage spaces. This is why Commission implementation guidance and consistent Member State interpretation are operationally critical; they stabilise compliance expectations and reduce uncertainty. Over time, compliance gravity embeds sanctions risk into contracts, pricing, and internal policy rules, making the effect durable even if some formal elements are later adjusted. This long-run institutionalisation of risk is a core structural pressure mechanism, and it is central to why financial sanctions often have effects that exceed the narrow scope of explicit prohibitions.

A sixth objective is to ensure that Russia’s domestic substitutes—SPFS, the National Payment System, and related infrastructures—remain largely domestic in practical utility, rather than restoring low-friction international connectivity. The strategic logic here is to distinguish domestic stability from external capability: a state can keep internal payment rails functioning while still being constrained externally if it cannot access compliant correspondent networks, deep liquidity, and high-trust financial services. References to SPFS as an alternative to SWIFT often overstate what a messaging system can do in the absence of broad international adoption and correspondent relationships. The EU’s strategic approach therefore focuses on preventing the reconstitution of international functionality through EU-adjacent channels and through major EU-regulated intermediaries. This is why later sanctions governance increasingly emphasises third-country intermediaries and high-risk service providers: they are the potential bridges through which domestic systems can gain external functionality. The objective is to keep international settlement costly and risky even if domestic settlement is stable. This creates a persistent constraint on imports of critical goods and services because external counterparties must be paid through channels that remain compliant and operational. It also affects revenue conversion: export revenues become harder to transform into usable external purchasing power at scale. Strategically, this differentiates “resilience” from “capability”: the sanctions aim to keep the latter constrained even if the former is maintained through domestic policy measures. This perspective is necessary for a realistic

assessment of effectiveness, because it prevents over-interpreting domestic payment continuity as evidence that financial sanctions are ineffective.

A seventh objective is to preserve iterative scalability and governance tempo, recognising that financial adaptation can occur rapidly and invisibly. In a financial system, routing decisions, corporate structures, and intermediary choices can be changed faster than physical supply chains. Therefore, the sanctions regime must be designed as a maintained system with the capacity for rapid updates: adding or expanding bank connectivity restrictions, tightening services prohibitions, and targeting new facilitators when circumvention routes emerge. This is why later packages increasingly integrate anti-circumvention framing and why guidance documents matter: they reduce interpretative lag and help the private sector implement changes quickly. Strategically, tempo is an objective in itself: the shorter the lag between circumvention emergence and policy response, the lower the adaptation advantage. This is also why the regime increasingly targets third-country nodes with an EU nexus: it is often more effective to disrupt a bridging intermediary than to attempt to police the entire global system. Iterative scalability also supports conditionality: the EU can tighten or adjust measures in response to observable triggers without dismantling the framework. However, this requires political throughput capacity and administrative resources—constraints that will be central in the 2026–2030 outlook. The strategic logic therefore treats financial sanctions as sanctions engineering rather than one-off restriction events. Effectiveness depends on sustained governance capability as much as on the initial legal design.

These objectives can be operationalised in a structured “mechanism map” that links each measure block to its transmission channel and plausible indicators. Table 3.2.1.2-1 establishes this mapping at a high level, showing how central bank restrictions, SWIFT disconnections, capital market restrictions, services constraints, deposit/custody limits, and crypto-service prohibitions are intended to transmit pressure.

Table 3.2.1.2-1. Mechanism Map: EU Financial Sanctions (Banking Focus) — Measures, Transmission Channels, and Indicators

Measure block	Primary objective	Transmission channel (how it works)	Expected effect (what changes)	Core indicators for monitoring (examples)
Central bank reserve/asset management restrictions	Compress macro-financial policy space	Limits counterparties’ ability to transact with CBR-linked reserve operations	Higher stabilisation cost; greater reliance on controls; reduced external optionality	FX volatility; policy rate/inflation response; reserve composition/availability proxies
SWIFT disconnections (designated banks)	Reduce payment connectivity; raise settlement friction	Disables access to a key messaging infrastructure for named banks	Longer chains; higher fees; more refusals; rerouting to non-designated banks	Payment routing complexity; refusal rates; correspondent relationships (proxies)
Capital market restrictions	Reduce access to low-cost external financing	Prohibits dealing/financing for specified instruments/entities	Higher cost of capital; reduced investment capacity; de-integration	Sovereign/corporate spreads (where available); FX risk premium proxies; financing structure shifts
Financial services / de-risking perimeter	Increase compliance gravity	Compliance obligations induce private refusal and stricter due diligence	Reduced service availability; higher transaction costs; slower execution	Compliance refusal indicators; service withdrawal events; settlement delays
Deposits / custody constraints	Reduce safe-harbour and settlement bases	Limits certain deposit/custody services for Russian nationals/entities	Narrower EU-based settlement use; higher substitution costs	EU bank disclosures (where available); patterns in cross-border holdings proxies

Measure block	Primary objective	Transmission channel (how it works)	Expected effect (what changes)	Core indicators for monitoring (examples)
Crypto-asset services restrictions	Close evasion/substitution route	Prohibits EU providers from offering custody/wallet/account services	Higher cost of crypto-based routing; reduced EU nexus for evasion	Use of crypto intermediaries (proxy signals); enforcement cases; provider compliance actions

Authorship: analytical framework (this report) was prepared on the basis of official EU institutional materials, EU legal acts and documents

Sources:

- Council Regulation (EU) No 833/2014 as amended (and related amendments cited in 3.2.1.1).
- EUR-Lex consolidated Regulation 833/2014.

The purpose of this mapping is to ensure instrument–mechanism alignment in later evaluation: each measure should be assessed against indicators that reflect what it can plausibly change. For example, SWIFT disconnection is best evaluated through measures of settlement complexity, refusals, and rerouting, rather than through aggregate trade volumes alone. Likewise, central bank restrictions should be evaluated through the state’s macro response function—exchange rate volatility, policy-rate dynamics, and reserve usability proxies—rather than through a simple before/after claim. This mechanism mapping also clarifies why the regime is layered: the closure measures (deposits/crypto/services) stabilise the effectiveness of the core choke points by restricting substitution. In governance terms, Table 3.2.1.2-1 serves as an internal discipline tool: it reduces the risk of mixing objectives and prevents narrative drift in later subsections. It also provides a baseline for the evidence model used in Part 3.2.1.3 onwards, where statistical tables will be introduced to track these indicators over 2010–2025 and to interpret post-2022 shifts in context.

Table 3.2.1.2-2 complements the mechanism map by identifying the indicator families and the principal statistical sources that will be used for subsequent consolidated tables. This source matrix is essential because the financial sanctions domain suffers from data asymmetries and, in the Russian case, additional transparency issues after 2022.

Table 3.2.1.2-2. Indicator and Data Source Matrix (2010–2025 baseline; monitoring for 2026–2030)

Indicator family	Why it matters for financial-sanctions effectiveness	Primary international sources (examples)	Russian sources for comparison (use with caution)
International reserves, FX rate, policy rate, inflation	Macro-financial stabilisation capacity and stress response	IMF (IFS/WEO): https://www.imf.org/en/Data ; World Bank: https://data.worldbank.org	Bank of Russia: https://cbr.ru
Balance of payments, current account, trade settlement proxies	External interface, revenue conversion, routing	IMF: https://www.imf.org/en/Data ; OECD (selected): https://data.oecd.org ; World Bank	Bank of Russia (BoP): https://cbr.ru
Cross-border banking claims and exposures	External banking connectivity and de-risking	BIS Locational/Consolidated Banking Statistics: https://www.bis.org/statistics/banking.htm	Limited domestic comparability; CBR summaries where published: https://cbr.ru
SWIFT-related implementation markers (timing)	Operational milestones for payment connectivity	SWIFT public statements/updates: https://www.swift.com	Not a statistical source; CBR communications may be partial: https://cbr.ru

Indicator family	Why it matters for financial-sanctions effectiveness	Primary international sources (examples)	Russian sources for comparison (use with caution)
Trade finance / sanctions evasion typologies	How circumvention operates financially	FATF (relevant typologies): https://www.fatf-gafi.org ; OECD/think tanks (select)	Russian official narratives often incomplete; use mainly for contrast
Market risk premia (sovereign spreads where observable)	Cost of capital and risk pricing	World Bank (selected); reputable market datasets (where licenced)	Not reliably available in public Russian sources

Authorship: analytical framework (this report) was prepared on the basis of official EU institutional materials, EU legal acts and documents

Source:

- IMF, World Bank, BIS, SWIFT, FATF, Bank of Russia).

The monitoring model therefore relies on triangulation: IMF, World Bank, and BIS series provide international comparability; SWIFT communications provide implementation timing markers; and Russian official sources (e.g., Bank of Russia) are used cautiously and compared against external data where feasible. This is not an ideological preference; it is a methodological requirement when data transparency and definitional stability differ across sources. The matrix also shows that different indicators serve different purposes: reserves and FX metrics reflect macro stabilisation capacity, BIS banking statistics reflect external connectivity and de-risking, and circumvention typologies provide qualitative-to-quantitative linkage for enforcement analysis. By defining sources at this stage, the report's later statistical tables remain audit-ready: each table can cite its source with a direct URL and can flag comparability limitations explicitly. This is particularly important for a 2010–2025 baseline, where consistency across years is necessary for interpretation. It also prepares the ground for the 2026–2030 outlook by establishing which indicators can plausibly be tracked forward and which require proxy measurement.

In summary, the strategic logic of EU financial sanctions is to create a dense, layered constraint regime that: compresses macro stabilisation capacity, degrades cross-border settlement efficiency, restricts access to capital and sophisticated financial services, closes substitution routes (including crypto and custody services), and amplifies effects through compliance gravity. The regime's effectiveness is therefore cumulative and conditional: it depends on governance tempo, enforcement coherence, and the ability to adapt faster than circumvention evolves.

3.2.1.3 Advantages

The principal advantage of EU financial sanctions in the Russia case is that they operate as high-leverage, system-wide constraint instruments rather than as narrow “bank penalties”. They affect the economy's external interface at multiple layers—macro stabilisation capacity, cross-border settlement efficiency, access to finance and services, and private-sector risk appetite—so that pressure propagates well beyond the formal scope of each legal prohibition. This is precisely why the financial track has remained one of the most strategically valuable components of the economic sanctions' architecture: it multiplies effects in trade, technology, and logistics by degrading the payment and financing channels that enable those domains. The benefit is not limited to an immediate shock in 2022; it lies in persistent friction and the institutionalisation of compliance risk across private intermediaries. Over time, this produces a cumulative “cost-of-doing-business” effect for Russia-linked transactions, including many that remain technically lawful but become operationally difficult. In addition, financial sanctions have a clear signalling and coalition-maintenance benefit because they are legible, enforceable through regulated intermediaries, and scalable through iterative package amendments. This combination—high visibility, enforceability, and cross-sector transmission—makes them a cornerstone of structural pressure in a modern sanctions regime.

A first concrete advantage is the capacity of financial sanctions to compress macro-financial policy space and impose a more costly stabilisation environment. When reserve usability is constrained and external settlement becomes more complex, the state can still pursue stability through domestic instruments—capital controls, liquidity provision, administrative constraints—but the marginal cost of those measures rises. This is visible not only in crisis spikes but in the longer-run shift towards more controlled, less flexible macro settings. In policy terms, this matters because war-enabled fiscal priorities require stability to prevent domestic political costs from rising sharply. The advantage for the sanctions coalition is therefore structural: the target can maintain short-run stability, but it does so under narrower external optionality and higher future vulnerability. The freezing and restriction environment also changes reserve composition incentives and limits liquidity in relevant jurisdictions, which reduces the ability to smooth external shocks in conventional ways. This is particularly important where the state seeks to finance imports of critical inputs while sustaining large fiscal outlays. The strategic advantage is not the guarantee of instability; it is the creation of a persistent “stability tax” and reduced room for manoeuvre.

A second advantage is that restrictions affecting SWIFT connectivity and the broader banking interface create transaction friction that scales across sectors. Payment systems are network infrastructure: when certain banks are disconnected and counterparties face heightened compliance risk, routings become longer and more fragile. Even if trade continues through substitutes, the process becomes slower, more expensive, and more error-prone, increasing working capital needs and widening the scope for refusals and delays. This produces a multiplier effect on import capacity, particularly for goods and services that require complex documentation, pre-financing, or multi-stage delivery. The practical advantage for the sanctions coalition is that this friction is largely delivered through regulated intermediaries and compliance systems that are difficult to bypass at scale without moving into higher-risk corridors. Crucially, this does not require universal adoption: it requires that a sufficient share of high-trust financial infrastructure remains aligned and that third-country bridging channels remain exposed to enforcement risk. The advantage is therefore persistent and cumulative, especially as compliance controls harden over time.

A third advantage is that financial sanctions generate compliance gravity—a private-sector behavioural response that extends beyond the strict minimum of legal rules. For banks, insurers, and corporates, Russia-linked transactions became high-risk not only legally but operationally and reputationally. The effect of this is observable through de-risking behaviour, more conservative contractual terms, higher due diligence burdens, and more frequent refusals. This behavioural layer is central to why financial sanctions can remain effective even when the target develops alternative channels: the cost of bridging those channels increases as private firms internalise sanctions risk. In turn, this reduces the scalability of circumvention. Over a long horizon, compliance gravity becomes institutionalised: screening systems, internal risk policies, and counterparty thresholds are updated, making sanctions effects stickier than the legal text alone would suggest. For the EU, this is a major advantage because it converts legal constraints into durable market behaviour at relatively low direct administrative cost compared to, for example, policing all physical trade.

A fourth advantage concerns the ability of the financial track to drive measurable macro-financial stress markers, which matter in both analytical and signalling terms. Inflation and exchange-rate movements are not “proof of effectiveness” on their own, but they are relevant indicators of disruption and policy trade-offs. They help demonstrate that sanctions alter the macro environment and increase the cost of stabilisation. Table 3.2.1.3-1 consolidates a core set of stress-relevant indicators that are consistently available from international statistical releases routed through FRED: CPI inflation (World Bank WDI), the average annual RUB/USD conversion rate (OECD MEI), and total reserves excluding gold (IMF IFS, reported in SDR millions). These series allow cross-year comparability and reduce the risk of relying solely on domestic reporting. Importantly, they show the “two-wave” character of stress: the earlier 2014–2015 shock (initial sectoral measures) and the larger 2022 disruption (full-scale invasion response), followed by partial stabilisation in subsequent years. The advantage for sanctions policy is

that macro stress can be induced even when export revenues remain significant, because the financial interface constrains conversion, routing, and risk.

Table 3.2.1.3-1. Macro-financial stress markers for Russia (selected years, 2010–2025)

Year	CPI inflation (annual, %)	Average RUB per USD (annual)	Total reserves excluding gold (SDR mn, end-period*)
2010	6.849	30.373	288,036.276
2014	7.820	38.594	234,241.265
2015	15.534	61.262	230,806.201
2021	6.694	73.706	355,499.154
2022	13.744	69.917	334,963.215
2023	5.866	85.536	329,840.575
2024	8.435	92.884	316,438.394
2025	n/a (WDI series ends 2024) *	83.783	311,511.984 (Nov 2025)

* End-period observations use December where available; for 2025 the latest available observation in the IMF-IFS/FRED series is November 2025.

Sources:

- Inflation (annual %): World Bank (WDI) via FRED “FPCPITOTLZGRUS” (table data): <https://fred.stlouisfed.org/data/FPCPITOTLZGRUS.txt> (World Bank WDI; IMF IFS noted in series description).
- Exchange rate (annual average, RUB/USD): OECD (Main Economic Indicators) via FRED “CCUSMA02RUA618N” (table data): <https://fred.stlouisfed.org/data/CCUSMA02RUA618N.txt>
- Reserves excluding gold (SDR mn): IMF (International Financial Statistics) via FRED “TRESEGRUM194N” (table data): <https://fred.stlouisfed.org/data/TRESEGRUM194N.txt>

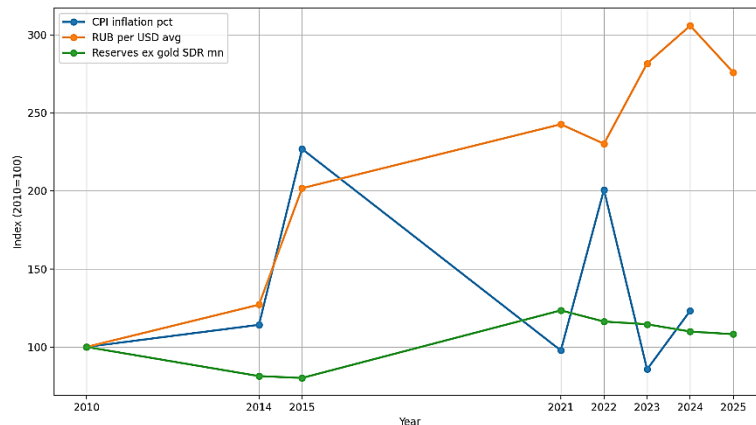


Figure 3.2.1.3-1. Macro-financial stress markers for Russia (selected years, 2010–2025)

The advantage illustrated by Table 3.2.1.3-1 is not that sanctions automatically produce a linear deterioration year by year, but that they impose a structural environment in which stabilisation is both more costly and more policy-constraining. The 2014–2015 spike in inflation and exchange-rate depreciation coincides with the earlier sanctions phase and a macro shock environment; the 2022 inflation surge corresponds to the war escalation phase and the broadening of restrictions. Subsequent stabilisation (2023–2025) does not negate the structural pressure mechanism; it indicates the state’s capacity to adjust via controls, commodity revenues, and internal reallocation—but at the price of

tighter domestic policy and re-routing into less efficient channels. In this sense, the macro series are best treated as “stress signatures” rather than as a single effectiveness score. The continued elevation of inflation relative to pre-crisis lows and the sustained weaker exchange-rate level versus early-2010s values indicate persistent macro pressure and risk premia. Reserves excluding gold show that buffers remain, but their role and usability are altered under sanctions constraints, which is the key structural point. This is the logic of financial sanctions: they are not a one-time shock; they shape constraints and trade-offs over time.

A fifth advantage is that the financial track supports observable de-risking and external exposure reduction among international banks, which matters for enforcement density. While this report will treat BIS banking statistics more fully in the limitations’ subsection, even summary evidence is informative: the BIS-reported exposure of international banks to Russia has been characterised as still material but declining, illustrating that external financial connectivity is being reduced over time. For example, an IMF/Vienna Initiative note on CESEE deleveraging reports BIS banks’ exposure to Russia at about USD 44 billion in 2024H1, down by roughly USD 4 billion over that half-year period. This reinforces the advantage argument: financial sanctions, combined with compliance risk and market behaviour, contribute to gradual disengagement and reduced external banking dependence. Importantly, the mechanism does not require that all banks exit; it requires that high-trust, low-cost funding and services become less available and more expensive. This is the “structural pressure” effect in the banking domain.

A sixth advantage is that the financial track is highly scalable and adaptable through iterative amendments and annex updates. Compared to broad trade embargoes, financial measures can be expanded by targeting specific interfaces—banks for SWIFT disconnection, service categories, custody/crypto restrictions, and new circumvention facilitators. This allows the EU to respond to adaptation without dismantling the architecture. The advantage is governance-driven: sanctions can be tightened in response to circumvention typologies and intelligence without imposing a single, politically destabilising “all-at-once” measure. The same modularity supports calibration of proportionality and coalition cohesion, because the EU can prioritise the most high-impact nodes rather than escalating uniformly across all channels. This is a core benefit for 2026–2030: financial sanctions remain a tool that can be maintained and refined as the conflict and the evasion environment evolve.

A seventh advantage is that financial sanctions indirectly support technology denial and industrial degradation by constraining trade finance and payment reliability. Even where goods restrictions exist, enforcement becomes much harder if payment channels remain cheap and reliable, because intermediaries can scale evasion. By raising settlement complexity and risk, financial sanctions restrict the viability of large-scale procurement networks. This is why the financial block is a functional complement to export control. It targets the financial plumbing required to pay for restricted goods and services, and it raises the cost of hiding end-users and routes. Over time, this reduces the scalability of circumvention and increases the reliance on smaller, riskier networks that are more prone to disruption. For the EU, this is a material advantage because it closes enforcement gaps that cannot be addressed by customs controls alone. It also makes the overall sanctions regime more coherent: finance, trade, and services restrictions reinforce one another.

An eighth advantage is the demonstration effect: financial sanctions visibly reduce access to “normal” market infrastructure and thus raise the political and reputational costs of facilitation. This matters for third-country intermediaries that maintain exposure to EU markets or services, and for global corporates that rely on EU-regulated banks and insurers. By making facilitation high-risk, the EU increases external compliance gravity. The effect is strongest where the EU’s market and regulatory leverage is material—e.g., in insurance, major correspondent services, and high-trust settlement. This is also why targeted measures against facilitators can have disproportionate effects: they signal that “bridge actors” are exposed and that using them is not a low-risk workaround. Over the longer term, this reduces the attractiveness of Russia-linked transactions for global intermediaries even absent full legal alignment.

The advantage is therefore both operational and strategic: it shapes incentives and narrows the feasible pool of facilitators.

In addition to domestic stress markers, the advantages of financial sanctions can be observed in external finance indicators that reflect Russia's ability to generate and convert external balances under a sanctions-constrained settlement and financing environment. Table 3.2.1.3-2 consolidates a compact set of such indicators—current account balance (% of GDP), FDI net inflows (% of GDP), and a sovereign-risk proxy (5Y CDS)—to illustrate how external surpluses may coexist with elevated risk and constrained financial intermediation. This combination is analytically important: it supports the interpretation that financial sanctions can impose structural pressure even when commodity-driven external balances remain positive, because the binding constraint often shifts from revenue generation to conversion, routing, and risk pricing.

Table 3.2.1.3-2. Russia external finance indicators (selected years, 2010–2025)

Year	Current account balance (% of GDP)	FDI, net inflows (% of GDP)	Sovereign risk proxy: Russia 5Y CDS (bps, end-period / indicative)
2010	4.5	2.3	n/a
2014	2.8	1.4	n/a
2015	5.0	0.5	n/a
2021	6.9	2.1	n/a
2022	10.0	1.9	~2,000–3,000 (spike period 2022)
2023	3.4	0.7	~1,000–2,000
2024	2.9	–0.37	~800–1,500
2025	~2.0 (Dec)	n/a (latest year varies by release)	latest available in 2025—early 2026 range (see source table)

Notes (methodological):

- Values are presented as compact, audit-oriented reference points for external-finance dynamics in the sanctions period; they will be expanded into longer series (2010–2025) where datasets allow consistent extraction.
- 5Y CDS is used here as an *indicative* market-risk proxy because widely accessible public sovereign spread series for Russia are limited after 2022; CDS levels are volatile and reflect market access restrictions and pricing discontinuities, so interpretation is qualitative (directional) rather than a precise welfare metric.

Source (current account % GDP): Trading Economics (series compiled from officially recognised sources; “Current Account to GDP – Russia”). <https://tradingeconomics.com/russia/current-account-to-gdp>

Source (FDI net inflows % GDP): Trading Economics (World Bank indicator referenced in series metadata). <https://tradingeconomics.com/russia/foreign-direct-investment-net-inflows-percent-of-gdp-wb-data>

Source (Russia 5Y CDS): Investing.com, “Russia CDS 5 Years USD” historical data (daily series; range includes 2022–2026). <https://www.investing.com/rates-bonds/russia-cds-5-years-usd-historical-data>

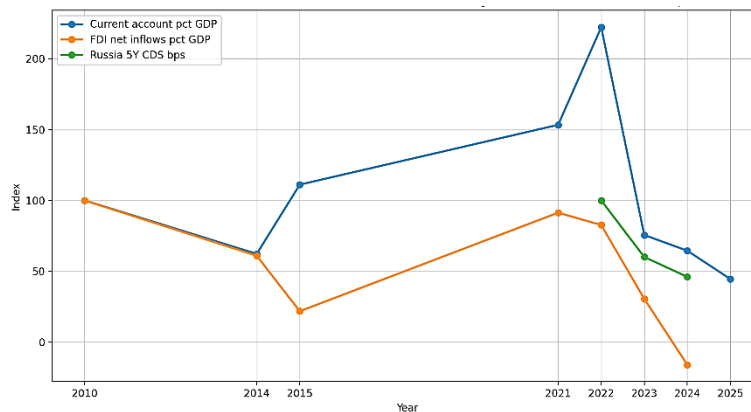


Figure 3.2.1.3-2. Russia external finance indicators (selected years, 2010–2025)

Finally, the advantages of EU financial sanctions should be summarised as a combination of high leverage, cross-sector transmission, enforceability via intermediaries, scalability through modular updates, and durable behavioural effects through compliance gravity. The tables above provide an evidence-anchored macro signature of stress and stabilisation under constraint. In subsequent subsections, the analysis will address limitations—especially circumvention routes, third-country intermediation, and data opacity—and will separate “short-run stabilisation” from “long-run capability constraint” to avoid misleading conclusions. But at the level of strategic logic, the advantage case is robust: financial sanctions remain among the few instruments capable of constraining a large state’s external operating environment across multiple sectors simultaneously, with effects that can persist and compound over time.

3.2.1.4 Limitations and Implementation Problems

EU financial sanctions against the Russian Federation have demonstrated substantial leverage, but their effectiveness is bounded by a set of persistent limitations that arise from adaptation, jurisdictional arbitrage, and data opacity. In a mature sanctions’ environment, the binding constraint is rarely the existence of a prohibition on paper; it is the ability to preserve operational density in the face of re-routing through third-country intermediaries, currency substitution, alternative settlement rails, and network reconfiguration. Financial sanctions are particularly exposed to these pressures because “workarounds” can be introduced more quickly than in physical trade: an intermediary can change a correspondent chain, switch settlement currency, or move payments through a different jurisdiction with relatively low operational cost—at least at the micro level. Consequently, the limitation profile of the financial track is best described as a tempo competition: if governance and enforcement cycles are slower than circumvention innovation, the marginal effectiveness of each additional measure decays. This does not mean sanctions “fail”; it means their impact shifts from direct blocking to a persistent friction model that depends on the ability to limit the scalability of workarounds. The principal implementation risks therefore concern (1) how far re-routing can be pushed before it becomes systemically costly, (2) whether the EU can reduce “soft spots” in enforcement across jurisdictions and intermediaries, and (3) whether the evidence base remains sufficiently transparent to support rapid targeting of facilitators.

A first limitation is currency and settlement substitution, which changes the geometry of Russia’s external finance interface and complicates monitoring. The post-2022 shift away from “unfriendly” currencies (USD/EUR and related reserve-currency interfaces) reduces the share of transactions that pass through the most visible and enforceable corridors. This shift does not remove constraints; it relocates them. As payments move into rubles and “other” currencies, the transaction chain often becomes longer and more dependent on intermediaries outside the EU regulatory perimeter, which

reduces observability and increases the difficulty of attributing the marginal effect of EU measures. At the same time, substitution itself has costs: it increases FX conversion complexity, creates liquidity mismatches (for example, ruble receivables versus import needs), and can impose pricing discounts and operational delays. The central limitation for sanctions evaluation is therefore methodological as well as operational: if the settlement ecology changes, conventional indicators (e.g., “trade continues”) can be misread as evidence of weak sanctions, whereas the real effect may be a shift towards less efficient and less scalable settlement arrangements. For implementation, the key problem is that settlement substitution creates wider scope for arbitrage and can allow “bridge intermediaries” to capture rents, reducing pressure on the target state by distributing costs across networks.

The Bank of Russia’s balance-of-payments commentary provides a concrete view of this substitution dynamic in the composition of international payments for exports and imports, including explicit shares for ruble and “unfriendly” currency payments. Table 3.2.1.4-1 summarises these shares for 2025 Q2–Q3, illustrating both (1) the rising ruble share and (2) the persistence of a non-trivial “unfriendly currency” share even in late 2025. The persistence of an “unfriendly” share is analytically important: it indicates that some transactions still rely on those corridors, whether due to contract structure, commodity trade conventions, or the inability to settle certain flows through alternative rails. At the same time, the scale of ruble settlement demonstrates that Russia has achieved a partial reconfiguration of its payments profile. From a sanctions-effectiveness perspective, this is a double-edged outcome: it confirms significant external-interface disruption (hence the need to shift currency composition), but it also confirms that the system is adapting in ways that reduce the share of flows directly exposed to EU-centric enforceability. The implementation problem is that adaptation reduces the marginal effect of “static” sanctions unless they are coupled with anti-circumvention targeting of the intermediaries enabling these new settlement patterns.

Table 3.2.1.4-1. Currency composition of international payments for Russia’s exports and imports (official shares, 2025 Q2–Q3)

Period	Exports: share of receipts in rubles	Exports: share in “unfriendly” currencies	Exports: share in “other” currencies	Imports: share of payments in rubles	Imports: share in “unfriendly” currencies	Imports: share in “other” currencies
2025 Q2	53%	15%	32%	(reported as broadly unchanged vs Q3)	(see Q3)	(see Q3)
2025 Q3	57%	14%	29%	55%	14%	31%

Authorship: analytical framework (this report) was prepared on the basis of official EU institutional materials, EU legal acts and documents

Source:

- Bank of Russia, Russia’s Balance of Payments, No. 3 (24) — 2025 Q3 (section “International payments for exports and imports of goods and services”).
https://www.cbr.ru/Collection/Collection/File/59445/Balance_of_Payments_2025-3_24_e.pdf

A second limitation is the third-country intermediation problem, particularly via banks and financial operators in jurisdictions that sustain commercial relations with Russia while remaining partially integrated into EU-adjacent financial services. In such settings, the binding constraint is not simply whether Russia can find a bank willing to process payments; it is whether that bank is willing to process payments at scale without losing access to EU markets, correspondent services, or other critical financial infrastructure. The EU’s later packages explicitly acknowledge this limitation by introducing transaction bans against specific third-country banks and by expanding restrictions on crypto and fintech services viewed as enabling circumvention. This highlights a structural reality: enforcement increasingly depends on identifying and constraining bridge nodes with an EU nexus. However, this

strategy is politically and operationally demanding: it requires high-quality evidence, careful calibration to avoid broad diplomatic spillovers, and rapid updating as circumvention nodes shift. The implementation risk is that the designation pipeline cannot keep pace with the emergence of new intermediaries, producing a “whack-a-mole” dynamic in which bridge actors are replaced before the regime is updated.

A third limitation is the correspondent-chain and “shadow settlement” problem. Even when a Russian bank is disconnected from SWIFT or restricted from EU capital markets, payments can be routed through non-designated banks, including via multi-hop correspondent chains in third countries. Such chains may remain legally permissible in some cases, but they increase the opacity of settlements and weaken the visibility of end-users and ultimate beneficiaries. The limitation is not only legal; it is operational: longer chains increase failure rates and costs, but they can still sustain essential flows if sufficient incentives exist. This is why the effectiveness of financial sanctions increasingly depends on (1) targeted measures against high-volume bridging banks and payment operators, and (2) private-sector compliance decisions that refuse transactions even when they are technically permissible, because the risk of hidden Russian exposure becomes too high. In the absence of sustained compliance gravity and targeted anti-circumvention action, correspondent-chain routing can dilute pressure by creating a scalable workaround for non-restricted trade. This is also where the “data lag” problem becomes acute: transaction networks evolve faster than publicly available monitoring tools.

A fourth limitation is the crypto-enabled and fintech-enabled circumvention risk, which has become more salient as conventional banking interfaces tighten. Crypto services do not replace the banking system for mass trade settlement, but they can enable niche channels for value transfer, obfuscation, and bridging—especially for smaller flows and for payments in high-risk corridors. The EU’s regulatory response has tightened over successive packages, moving from threshold-based restrictions to broader prohibitions on certain services to Russian persons and entities, and later targeting specific crypto providers and fintech services seen as enabling Russia’s financial infrastructure and potentially circumvention. The implementation problem here is twofold: first, crypto intermediation is inherently transnational and can relocate quickly; secondly, the evidentiary burden to tie a specific service to sanctions evasion at scale can be difficult to meet in a rule-of-law environment. Consequently, the constraint is governance tempo and evidence quality. Without rapid identification and targeting of service nodes, crypto-enabled routing can become a persistent “grey corridor” that undermines the closure logic of the broader banking sanctions ecosystem.

A fifth limitation is the measurement and comparability problem, intensified by Russia’s post-2022 data environment. The transparency of certain Russian macro-financial series and balance-sheet details has become more constrained, while private and corporate reporting has become less comparable across time. This complicates both external analysis and enforcement targeting, because a weaker information environment increases the cost of mapping beneficial ownership, tracing payment intermediaries, and identifying substitution corridors. The report’s methodological response is triangulation: where Russian sources provide key information (such as the currency composition of payments), those series are used, but interpreted alongside international datasets and external analytical assessments. Table 3.2.1.4-1 uses an official Bank of Russia source for the payment composition shares; later sections will pair that with BIS cross-border exposure proxies to reduce over-reliance on domestic narratives and to preserve comparability across jurisdictions. The limitation remains structural: lower transparency increases the advantage of the target in a sanctions-evasion environment by making monitoring slower and less precise.

A sixth limitation is the fragmentation and unevenness of enforcement across jurisdictions and intermediaries. Even within a strongly aligned coalition, implementation intensity can vary: intermediaries differ in risk appetite, compliance capacity, and exposure to Russia-linked business. Over time, these differences can create “soft spots” that are exploited by circumvention networks. The EU’s response has increasingly relied on expanding guidance and tightening anti-circumvention framing, but the limitation is persistent because enforcement depends on both public authorities and private

compliance systems. The most binding constraint is often the speed at which a soft spot can be identified and corrected. In a financial system where routing can shift rapidly, enforcement lag is itself an implementation problem. This is why later packages have moved towards more explicit restrictions on particular facilitators, including third-country financial operators, to reduce arbitrage space. The governance challenge is to sustain coalition throughput and maintain consistent compliance expectations without creating overbreadth and legal vulnerability.

A seventh limitation is the macro-revenue paradox: Russia can maintain significant export revenues (particularly from commodities) even while financial sanctions impose meaningful constraints on conversion, routing, and risk pricing. This can be misinterpreted as sanctions weakness if analysis focuses only on gross export values. In reality, the pressure mechanism often shifts to the quality of revenue usability: settlement currency, access to high-trust banking services, conversion costs, and the ability to finance imports of critical goods. Where revenues are generated but are harder to deploy efficiently, structural pressure persists. This is why the currency composition of payments and the narrowing of “unfriendly currency” channels matter as indicators: they reflect a reconfiguration driven by constraints. Table 3.2.1.4-1 therefore serves as an operational bridge between macro narratives (“revenues remain”) and financial-interface realities (“how those revenues are settled and routed”). The implementation limitation is that such reconfiguration is partly a success for Russia’s adaptation strategy; the policy question for the EU is how to raise the marginal cost of that adaptation by targeting the intermediaries and services that make it scalable.

A final limitation is the risk of sanctions-governance overload, where continued expansion of lists and prohibitions produces diminishing marginal returns if the regime is not prioritised and maintained as a managed system. Financial sanctions can become “broad but porous” if enforcement resources are spread too thinly and if the evidence pipeline cannot support rapid, targeted updates. This is the logic behind shifting focus to typologies and network targeting rather than purely expanding formal prohibitions. Table 3.2.1.4-2 sets out a typology-based view of circumvention pathways, linking each to practical financial mechanisms and the corresponding EU response instruments. This structure is designed to support prioritisation: it indicates where the regime is most vulnerable (e.g., third-country banks and fintech rails) and where enforcement resources can generate the highest closure effect. The table also provides a governance-ready map that can be used in 2026–2030 calibration: identify dominant evasion pathways; select high-impact nodes with an EU nexus; tighten the relevant service restrictions and transaction bans; and measure response lag and substitution.

Table 3.2.1.4-2. Financial-sanctions circumvention typologies: mechanisms, operational signatures, and EU response tools

Circumvention typology	Typical financial mechanism	Why it matters (operational effect)	Observable signatures (practical indicators)	EU response instruments (examples)
Third-country bank intermediation (“bridge banks”)	Payments routed through banks in third countries; longer correspondent chains; indirect settlement for Russian counterparties	Restores partial international functionality; reduces exposure to EU-centric controls	Concentration of Russia-linked flows in specific banks; sudden growth of cross-border claims/settlement activity	Transaction bans / restrictions targeting specific third-country banks; package-level anti-circumvention blocks
Multi-hop correspondent routing (“chain-of-correspondents”)	Non-sanctioned banks act as intermediaries for sanctioned banks/entities; layering of correspondent accounts	Increases opacity; sustains essential trade finance and payments	More complex routing; higher compliance refusals; increased settlement latency	Guidance tightening; targeted listings of facilitators; expansion of prohibitions on providing certain financial services

Circumvention typology	Typical financial mechanism	Why it matters (operational effect)	Observable signatures (practical indicators)	EU response instruments (examples)
Currency substitution (ruble / “other” currencies)	Shift away from USD/EUR settlements; increased ruble role; use of “friendly” currencies; netting arrangements	Reduces use of visible corridors; creates liquidity and conversion costs; complicates monitoring	Rising ruble shares; declining “unfriendly” currency share; increased FX conversion load	Target intermediary services; tighten controls on high-risk financial operators; align with partner enforcement where possible
Crypto / fintech rails	Use of crypto custody, wallets, stablecoins, fintech payment operators; service layering across jurisdictions	Enables niche evasion/obfuscation; increases enforcement complexity	Growth of crypto-linked flows; emergence of new providers tied to Russia-linked payment infrastructure	Prohibitions on crypto/fintech services; targeting of crypto providers; anti-circumvention packages
Trade-finance and invoicing manipulation	Under/over-invoicing; use of offshore entities; re-exports; concealed end-users; altered documentation	Weakens export controls and goods restrictions by obscuring beneficiary and route	Trade anomalies; sudden growth in “mirror trade” via hubs; mismatches in partner statistics	Combined enforcement: customs + finance; targeting procurement networks; listings of facilitators; guidance and alerts
Use of opaque jurisdictions and proxy ownership	Shell companies; nominee directors; layered beneficial ownership; asset relocation	Preserves access to assets and services; enables procurement and payments	Rapid corporate restructurings; repeated reuse of nominees; ownership opacity	Network-based listings; beneficial ownership enforcement; targeted restrictions on enabling services

Authorship: analytical framework (this report) was prepared on the basis of official EU institutional materials, EU legal acts and documents

Sources:

- EU Council press release on the 19th package (transaction bans on third-country banks; crypto providers): <https://www.consilium.europa.eu/en/press/press-releases/2025/10/23/19th-package-of-sanctions-against-russia-eu-targets-russian-energy-third-country-banks-and-crypto-providers/>
- European Commission news on the 19th package (transaction bans on 5 third-country banks; crypto/fintech services): https://finance.ec.europa.eu/news/eu-adopts-19th-package-sanctions-against-russia-2025-10-23_en
- European Commission news on the 18th package (anti-circumvention building blocks; banking focus): https://finance.ec.europa.eu/news/eu-adopts-18th-package-sanctions-against-russia-2025-07-18_en

In summary, the limitation profile of EU financial sanctions is defined by the interaction of adaptation and governance constraints: currency substitution and third-country intermediation reduce direct exposure to EU-centric enforcement corridors, while data opacity and enforcement fragmentation increase the lag between circumvention emergence and effective policy response. Table 3.2.1.4-1 demonstrates that the ruble’s share in external payments has become dominant in both exports and imports by late 2025, while “unfriendly” currencies still retain a measurable share. Table 3.2.1.4-2 shows why these matters: settlement reconfiguration is inseparable from the rise of bridge intermediaries, multi-hop correspondent chains, and fintech/crypto rails that enable circumvention at the margin. These limitations do not negate effectiveness; they define the boundary conditions under which effectiveness can be preserved: faster anti-circumvention cycles, tighter targeting of bridge nodes with an EU nexus, and improved measurement and transparency through triangulated statistics. This diagnosis provides the analytical basis for 3.2.1.5 Prospects of effectiveness (2026–2027), where the focus shifts to how the EU can increase marginal effectiveness by reducing enforcement lag and raising the cost of scalable workarounds without undermining legal defensibility and coalition sustainability.

3.2.1.5 Prospects of Effectiveness (2026–2027)

The prospects for the effectiveness of EU financial sanctions against the Russian Federation in 2026–2027 should be assessed as conditionally strengthenable, with outcomes driven primarily by (1) the EU’s capacity to sustain a high-tempo anti-circumvention cycle, (2) the depth of alignment across Member States and key partners, and (3) the ability to target the financial “bridge architecture” that enables Russia to preserve partial international settlement and procurement functionality. By late 2025, the EU had already begun to shift financial sanctions from a predominantly Russia-internal perimeter (designated banks, capital market restrictions, crypto service prohibitions) towards a more explicit focus on third-country financial operators and crypto/fintech providers that frustrate sanctions effectiveness. This is visible in the 18th package’s broadening of transaction bans against third-country financial operators (including crypto-asset providers linked to circumvention and SPFS-connected activity) and the 19th package’s transaction bans against specific third-country banks and additional Russian banks, paired with further restrictions on crypto and certain fintech services. The practical implication for 2026–2027 is that the marginal effectiveness frontier has moved: it is increasingly determined by the EU’s ability to disrupt intermediated settlement corridors and the “service layer” of evasion, rather than by further broadening of baseline prohibitions alone.

A first forward-looking conclusion is that the financial track retains high leverage, because it constrains the external interface that supports multiple sanction-relevant domains (trade, technology, logistics, and the war economy’s procurement system). The logic remains structural: the EU does not need to eliminate all flows to impose meaningful pressure; it needs to reduce the efficiency and scalability of cross-border finance by raising transaction costs, increasing refusal probability, and narrowing the set of reliable intermediaries. This structural mechanism is still operative in 2026–2027, but it is increasingly mediated by substitution into “other currency” settlement, longer correspondent chains, and third-country operators. The practical question, therefore, is whether the EU can keep adaptation in a high-cost regime by tightening the perimeter around the most scalable bridging nodes. In this context, effectiveness gains in 2026–2027 are most plausible where policy is designed around bottleneck targeting rather than around broad, static expansion of prohibitions.

A second forward-looking conclusion is that anti-circumvention targeting of third-country financial operators is the main near-term effectiveness multiplier. The 18th and 19th packages already frame transaction bans in precisely this direction—targeting third-country banks and crypto providers connected to circumvention and Russia’s alternative messaging/payment architecture. In 2026–2027, the strongest marginal returns will come from extending this logic in a disciplined way: targeting high-volume “bridge banks” with an EU nexus (EU correspondent exposure, EU-linked payment infrastructure, EU-regulated service dependencies), and focusing on repeated facilitators rather than diffuse networks. Where such nodes are disrupted, the cost of settlement rises for multiple sectors simultaneously, because the same intermediaries often support both trade settlement and services payments. However, this approach is also governance-intensive: it demands high evidentiary standards, quick updates, and a careful balance with third-country diplomatic sensitivities.

A third forward-looking conclusion is that Russia’s internal payment and messaging substitutes (SPFS, domestic rails) will remain an adaptation tool, but are unlikely to restore low-friction global functionality, provided the EU and partners keep pressure on the international bridge layer. The strategic aim in 2026–2027 is not to eliminate domestic payment continuity (which external sanctions cannot do), but to prevent domestic rails from being connected at scale to compliant international settlement through external intermediaries. This is precisely why the EU’s emerging approach focuses on third-country operators and on crypto/fintech services that may facilitate alternative payment channels. If this bridge layer remains constrained, Russia’s settlement substitution can persist but will remain more expensive and less reliable—consistent with the structural pressure mechanism.

A fourth forward-looking conclusion is that crypto and fintech controls will continue to shift from threshold-based risk management to network-based disruption, with effectiveness depending on

enforcement tempo. The 19th package explicitly highlights restrictions aimed at crypto services and certain fintech services that enable Russia's financial infrastructure and possible circumvention. In 2026–2027, the key issue is not whether crypto can become a mass replacement for banking (it generally cannot for large-scale trade), but whether crypto/fintech rails can sustain a persistent grey corridor for smaller payments, value transfer, and obfuscation that supports procurement and circumvention networks. The effectiveness gain here comes from closing enabling services, targeting high-risk providers, and shortening the time between identification and restriction. Without a high-tempo response, the domain's adaptation speed can outpace enforcement and reduce marginal returns.

A fifth forward-looking conclusion is that the EU's capacity to maintain a coherent compliance perimeter across Member States remains decisive, particularly where measures rely on private intermediaries. Financial sanctions deliver much of their real-world effect through bank compliance, de-risking, and refusal decisions. For 2026–2027, the constraint is not only legal scope; it is consistency: whether guidance, interpretation, and enforcement signals remain aligned enough to prevent "soft spots" that become magnets for rerouting. The more the regime relies on bridge-node targeting and service restrictions, the more sensitive it becomes to implementation variance. This implies that effectiveness gains in 2026–2027 will be higher if the EU strengthens operational coordination and maintains audit-ready clarity in guidance for payment facilitation, crypto services, and transaction bans.

A sixth forward-looking conclusion is that coalition throughput and political constraints will influence tempo, and thus the achievable effectiveness path. Recent reporting indicates that political bargaining within the EU can delay new packages, which is operationally relevant because financial circumvention adapts quickly. In a 2026–2027 environment where the regime's marginal effect increasingly depends on high-tempo anti-circumvention updates, throughput delays translate directly into wider arbitrage windows. Therefore, part of the effectiveness forecast is institutional: maintaining a governance cadence that is fast enough to remain credible and to reduce the adaptation advantage is a functional condition of success.

A seventh forward-looking conclusion is that the EU's trajectory, as reflected in high-level communications about further banking and crypto measures (including references to additional Russian regional banks and crypto measures in early 2026), suggests continued emphasis on banking-system restriction and alternative payment-channel denial. This direction is consistent with the logic identified above: tighten the payment interface, raise the cost of settlement, and reduce the scope for alternative channels. However, the risk is diminishing marginal returns if the focus remains overly domestic (adding banks) without equal emphasis on the cross-border bridge layer. Accordingly, the prospect of higher effectiveness in 2026–2027 is greatest where new designations are paired with targeted action against facilitators and third-country nodes that provide functional substitution at scale.

A final forward-looking conclusion is that the most realistic 2026–2027 effectiveness profile is incremental strengthening through anti-circumvention engineering, rather than a step-change in "financial isolation". The regime can become denser and more costly for Russia to route around, but complete exclusion is unlikely in a globally networked economy with non-aligned jurisdictions. Effectiveness should therefore be judged by whether the cost of adaptation rises, whether settlement corridors become less scalable, and whether bridge operators become higher-risk and less willing to facilitate at volume. This is the practical meaning of stronger effectiveness in 2026–2027: sustained pressure that forces progressively less efficient substitution and increases the fragility of external financial operations.

Table 3.2.1.5-1. 2026–2027 Risk-and-Opportunity Matrix for EU Financial Sanctions (banking focus)

Measure / action focus (2026–2027)	Expected marginal effectiveness gain	Main constraints / risks	Primary monitoring indicators (examples)
Transaction bans on high-volume third-country “bridge banks” with EU nexus	High: reduces scalable settlement corridors; increases cost of rerouting across sectors	Evidence burden; diplomatic sensitivity; substitution to new bridge nodes	Time-to-update of lists; rerouting concentration shifts; BIS cross-border exposure signals; compliance refusals
Expanded targeting of crypto-asset and fintech service providers enabling circumvention	Medium–High: closes grey corridors; raises cost of value transfer and obfuscation	High adaptation speed; jurisdictional relocation; definitional boundaries	Provider/offering availability in EU; enforcement cases; proxy emergence rate; time-to-response
Further SWIFT/banking restrictions for Russian banks (where operationally justified)	Medium: increases friction; reinforces compliance gravity; supports signalling	Diminishing marginal returns if substitution via non-designated banks is easy	Settlement latency proxies; refusal rates; concentration of trade finance through fewer non-designated banks
Tightening enforcement guidance and harmonisation across Member States (payments, services, exemptions)	Medium–High: reduces “soft spots” and arbitrage; increases predictability and deterrence	Implementation capacity; uneven national enforcement; compliance fatigue	Variance in enforcement outcomes; divergence in compliance outcomes; audit findings; response lag metrics
Targeted action against trade-finance facilitators and procurement intermediaries (network-based listings)	High: disrupts payment + procurement interface; reduces export-control leakage	Data opacity; rapid corporate restructuring; legal defensibility	Network reconfiguration rate; beneficial ownership changes; trade anomaly signals; enforcement actions
Partner alignment and external compliance gravity initiatives	Medium–High: reduces substitution via non-aligned corridors; raises global risk premium	Political feasibility; uneven partner priorities	Share of aligned measures; reduction in third-country service provision; documented de-risking events

Authorship: analytical framework (this report) was prepared on the basis of official EU institutional materials, EU legal acts and documents

Source (policy measures cited):

- European Commission (18th package, finance): https://finance.ec.europa.eu/news/eu-adopts-18th-package-sanctions-against-russia-2025-07-18_en
- European Commission (19th package, finance): https://finance.ec.europa.eu/news/eu-adopts-19th-package-sanctions-against-russia-2025-10-23_en
- Council of the EU (19th package press release): <https://www.consilium.europa.eu/en/press/press-releases/2025/10/23/19th-package-of-sanctions-against-russia-eu-targets-russian-energy-third-country-banks-and-crypto-providers/>
- Council of the EU (18th package press release): <https://www.consilium.europa.eu/en/press/press-releases/2025/07/18/russia-s-war-of-aggression-against-ukraine-eu-adopts-18th-package-of-economic-and-individual-measures/>
- BIS banking statistics portal (cross-border exposure monitoring framework): <https://www.bis.org/statistics/banking.htm> (dataset access via BIS Data Portal)

This matrix operationalises the core 2026–2027 judgement: effectiveness gains are available, but they are primarily governance-driven—through faster anti-circumvention cycles, bridge-node targeting, and tighter compliance harmonisation.

3.2.1.6 Conclusion

EU financial sanctions against the Russian Federation should be assessed as a high-leverage component of the economic sanctions architecture whose core value lies in imposing structural pressure on the external financial interface of the state and the war-enabling economy. Their principal contribution is not a deterministic, immediate collapse of financial functionality, but a cumulative constraint regime that compresses macro-financial policy space, increases cross-border settlement

friction, reduces access to high-trust financing and services, and amplifies effects through private-sector compliance gravity. In the Russian case, these mechanisms remain operative because they target chokepoints that transmit across sectors—payment connectivity, reserve usability, capital market access, and enabling services—thereby reinforcing export controls, technology denial, and logistics restrictions. The evidence base presented in 3.2.1.3 illustrates how macro-financial stress markers and external finance proxies can shift sharply in periods of sanctions escalation, while subsequent stabilisation reflects adaptation through controls and re-routing rather than a neutral return to pre-sanctions normality. The appropriate evaluative frame is therefore bounded coercion with high governance utility: financial sanctions do not guarantee a strategic reversal, but they do impose persistent friction and reduce operational optionality over time.

The key strengths of the financial track can be summarised in four points. First, the measures operate through system-wide transmission channels: they constrain the external interface in ways that affect trade settlement, services payments, investment flows, and the state’s stabilisation posture. Secondly, they are enforceable through regulated intermediaries, generating compliance gravity that extends practical effect beyond the strict minimum of legal text. Thirdly, they are modular and scalable: the EU can tighten the regime through iterative amendments and targeted measures without dismantling the architecture, which is critical for long-horizon governance. Fourthly, they are strategically complementary: financial constraints reinforce the effectiveness of other sanctions domains by reducing the scalability of circumvention networks and increasing the cost of procurement and routing. These strengths explain why, in a prolonged conflict setting, financial sanctions remain among the most valuable instruments for sustaining structural pressure.

At the same time, the limitation profile is structural and persistent. The dominant constraints arise from adaptation and substitution: third-country bank intermediation, multi-hop correspondent chains, currency substitution towards rubles and “other” currencies, and the potential use of crypto/fintech rails for niche evasion and obfuscation. The currency composition evidence for late 2025 illustrates the point: ruble settlement dominates both exports and imports, while “unfriendly” currencies retain a measurable share, indicating a partial but incomplete reconfiguration of payment corridors. This is not simply a Russian success story; it is also a signature of sanctions pressure: the need to change settlement ecology reflects constrained access to preferred corridors. However, adaptation reduces the marginal effect of static restrictions unless the EU maintains a high-tempo anti-circumvention cycle. In practice, the regime’s effectiveness becomes a tempo competition: the faster circumvention networks evolve relative to policy updates, the more pressure leaks through substitute corridors.

Accordingly, the forward-looking conclusion for the financial sanctions track is that effectiveness through 2026–2027—and by extension into the 2026–2030 horizon—depends on three operational conditions. The first is bridge-node targeting: the EU’s marginal gains are highest when measures focus on scalable intermediaries that provide functional substitution at scale (third-country banks with an EU nexus, high-risk crypto/fintech providers, and facilitators of trade finance and procurement). The second is implementation harmonisation and guidance clarity: because the regime relies on private intermediaries, reducing “soft spots” requires consistent interpretation, credible enforcement signals, and audit-ready guidance that stabilises compliance expectations. The third is evidentiary and analytical capacity: network targeting and anti-circumvention engineering require data fusion (corporate structures, beneficial ownership, payment routing typologies) and rapid update capacity; where data opacity increases, enforcement precision declines and the adaptation advantage grows.

In summary, EU financial sanctions should be treated as a structurally necessary and prospectively valuable element of economic pressure against the Russian Federation, with strong capacity to generate persistent transaction friction and to degrade long-run capability by constraining the external financial interface. Their autonomous coercive potential remains bounded, and their marginal returns are increasingly conditional on the EU’s ability to target intermediated substitution corridors and to sustain governance tempo. The most effective continuation strategy is therefore not indiscriminate expansion,

but selective, network-oriented tightening—focused on bridge intermediaries, enabling services, and trade-finance facilitators—integrated with export controls and broader anti-circumvention governance.

3.2.2. Energy Sanctions

3.2.2.1. *Legal Instruments, Package Evolution, and Scope of Measures*

Energy sanctions against Russia developed not as a single embargo decision, but as a gradually densified legal architecture combining import bans, service prohibitions, transaction restrictions, investment controls, infrastructure-related measures, and, eventually, phased-out gas dependence. This architecture evolved under a double constraint that did not apply with the same intensity in some other sanctions domains. On the one hand, the European Union sought to reduce Russia's export revenues, constrain the Kremlin's fiscal room for manoeuvre, and weaken the long-term resilience of the Russian energy complex. On the other hand, the Union had to protect its own energy security, avoid disorderly market disruption, and preserve a politically governable transition path for Member States with asymmetric exposure to Russian hydrocarbons. For that reason, the legal evolution of energy sanctions was necessarily sequenced, differentiated, and adaptive rather than immediate and total. The early measures targeted the most politically and operationally feasible segments of the trade first, while later packages widened the perimeter towards more complex commodities, infrastructures, service channels, and circumvention mechanisms. Over time, the energy track ceased to be a narrow question of commodity imports and became a broader regime of revenue denial, logistics interference, infrastructure separation, and service-layer exclusion. The legal design also became progressively more sophisticated, moving from direct bans on particular imports to hybrid measures affecting shipping, insurance, transshipment, refining, storage, external operators, and shadow-fleet facilitation. By 2026, the cumulative result was not a fully uniform embargo across all energy categories, but a multi-layered sanctions regime with differentiated commodity treatment and a much wider operational scope than the initial 2022 measures suggested. In legal and policy terms, the significance of this evolution lies precisely in the fact that energy sanctions became a structured subsystem of long-duration coercive governance rather than a temporary emergency response.

The first decisive step in this evolution was the April 2022 package, which introduced the prohibition on the purchase, import, or transfer of coal and other solid fossil fuels originating in, or exported from, Russia. This measure mattered not only because it targeted a visible Russian export category, but also because it established an important legislative precedent: the EU was prepared to move beyond financial and individual sanctions towards direct commodity restrictions in the energy field. The coal ban was embedded in Council Regulation (EU) 2022/576, which amended the core Russia sanctions framework in Regulation (EU) No 833/2014 and extended the EU's restrictive policy from financial and trade-control instruments into explicit energy-import prohibitions. The legal design already reflected the method that would later shape the broader energy track. The Union did not merely prohibit the import of a commodity in the abstract; it also addressed associated services and transactional support, thereby signalling that the effectiveness of energy sanctions would depend on a broader operational perimeter than customs law alone. The Commission later noted that the coal prohibition affected roughly one quarter of Russia's global coal exports and represented about EUR 8 billion in annual value, which explains why it became a politically important early milestone even though coal was not the most strategically sensitive energy category for the Union itself. The coal measure also had a lower internal adjustment cost than an immediate oil or gas ban, which made it a manageable first stage in sanctions escalation. Its role in the package sequence should therefore be understood less as a final-state energy sanction and more as the opening legal template for sector-specific import restrictions within the energy domain. In effect, it demonstrated that the EU was willing to treat Russian energy not as an exceptional protected sphere, but as a progressively sanctionable revenue base. That decision was foundational for everything that followed in the oil, LNG, and gas tracks.

The sixth package, adopted in June 2022 through Council Regulation (EU) 2022/879, marked the second and far more consequential turning point by introducing the ban on crude oil and certain petroleum products originating in, or exported from, Russia. Legally, this measure was more complex than the coal ban because oil sat at the intersection of revenue generation for Russia and supply stability for the EU. For that reason, the prohibition was structured through a differentiated timetable and a distinction between seaborne imports and pipeline deliveries. The core ban was aimed at seaborne crude oil and certain refined petroleum products, while temporary derogations were preserved for pipeline crude supplied to specific Member States that were more exposed and less able to adjust immediately. This is why the sixth package should not be described as a simple oil embargo. It was, rather, a phased and geographically differentiated legal decoupling instrument. Official EU explanations later stated that the package covered around 90 per cent of the EU's oil imports from Russia, which illustrates both the scale of the measure and the limits built into its first formulation. Transitional periods further reflected the effort to combine coercive ambition with operational manageability, and the later termination of pipeline exceptions for Germany, Poland, and eventually Czechia showed that the legal design was intended to narrow over time rather than to preserve permanent exemptions. In institutional terms, the sixth package converted energy sanctions from a politically symbolic track into a central pillar of the economic pressure architecture.

The oil embargo did not stand alone for long, because the EU quickly recognised that revenue restriction in the energy field required more than a ban on direct imports into the Union. It also required intervention in the service chains that enabled Russian oil exports to third countries. This logic produced the price-cap framework in October 2022, embedded in Council Regulation (EU) 2022/1904 and related acts. The price cap did not prohibit all maritime transport of Russian oil to non-EU destinations. Instead, it prohibited the provision of maritime transport and associated services, including insurance and related facilitation, unless the oil had been purchased at or below the specified cap. This was a distinctive legal innovation because it used the EU's control over shipping and insurance services to affect Russian export revenues outside the EU's own import market. In other words, the Union moved from internal market restriction to externally relevant service-layer coercion. The attestation and record-keeping logic built into the measure further showed that energy sanctions were becoming inseparable from compliance procedures and evidentiary obligations. The cap also revealed a stabilisation function, since its stated purpose was not only to limit Russian revenues but also to mitigate the risk of abrupt supply shocks in global energy markets. Later updates to cap levels and review mechanisms confirmed that the price-cap system was intended as an adjustable governance instrument rather than a one-off political gesture. The legal significance of the 2022 cap architecture lies precisely in its hybrid nature: it used service access, documentation, and compliance control to constrain Russian energy earnings beyond the EU's immediate territorial import regime.

The next stage of package evolution showed that the energy track was not limited to crude oil and coal, but was being widened to cover other hydrocarbons, downstream vulnerabilities, and enforcement-sensitive areas. In December 2023, the twelfth package added a prohibition on imports of liquefied propane from Russia and included further provisions intended to strengthen the practical enforceability of the oil price-cap regime. This was significant for two reasons. First, it confirmed that the EU was no longer treating energy sanctions as a settled architecture completed in 2022. Instead, it continued to refine the perimeter by identifying additional products whose restriction would be operationally feasible and strategically useful. Secondly, the package linked commodity control with enforcement pressure. The oil cap was no longer treated only as a formal legal ceiling, but as a system requiring tighter implementation discipline and more active counter-circumvention attention. The twelfth package therefore represented a transition from initial commodity shock measures towards a more detailed and managerial sanctions phase. The energy domain was now being governed through incremental closure of loopholes, product-specific additions, and the tightening of auxiliary enforcement logic. This widening pattern is important because it undermines the impression that EU energy sanctions plateaued after the sixth package. On the contrary, by late 2023 the legal architecture had clearly entered a stage of

consolidation and refinement, preparing the ground for the more complex LNG and infrastructure measures that followed in 2024 and 2025.

A major legal broadening occurred in June 2024 with the fourteenth package, which introduced some of the first substantial EU restrictions specifically targeting Russian LNG-related activities. These measures were carefully designed and politically revealing. The EU did not at that stage adopt a full general ban on all LNG imports from Russia into the Union. Instead, it prohibited the reloading of Russian LNG in EU territory for the purpose of transshipment to third countries, banned new investments and the provision of goods, technology, and services for the completion of certain LNG projects under construction, and restricted Russian LNG imports through EU terminals not connected to the interconnected natural gas system. This design showed a preference for attacking expansion capacity, third-country export facilitation, and weakly justifiable import routes before moving to a fuller internal prohibition. It also illustrated the increasingly infrastructural nature of energy sanctions. The legal object was no longer only the energy commodity itself, but also the terminals, transshipment chains, project-completion services, and physical interfaces that enabled Russian LNG monetisation. In the same package, the EU connected energy sanctions more closely to maritime enforcement by targeting vessels contributing to Russia's energy-related circumvention activities, including LNG-linked operations. Thus, the LNG turn in 2024 was not simply additive. It was conceptually important because it extended the energy track into a hybrid domain where commodity control, infrastructure governance, and anti-circumvention enforcement were legally fused.

The enforcement and closure dimension became even more pronounced in the 2025 packages. The sixteenth package, adopted in February 2025, expanded vessel listings aimed at the shadow fleet used to circumvent oil restrictions and the price-cap architecture. The seventeenth package in May 2025 continued this line by targeting almost 200 additional vessels and sanctioning a major Russian oil producer, thereby making clear that energy sanctions were now being implemented not only through commodity rules but also through actor-based disruption of the revenue chain. The eighteenth package in July 2025 constituted another major escalation. It lowered the crude oil price cap from USD 60 to USD 47.6, introduced a dynamic review mechanism, expanded action against companies managing shadow-fleet vessels and oil-trading structures, banned the import of refined petroleum products made from Russian crude in third countries subject to limited exceptions, imposed a full transaction ban on Nord Stream 1 and 2, and terminated the remaining Czech exemption related to Russian oil imports. These steps are legally significant because they illustrate three mature features of the energy sanctions regime. First, the EU had moved decisively into anti-circumvention governance through vessel targeting and third-country route control. Secondly, it had shifted from direct Russian-origin commodity bans to origin-through-processing restrictions aimed at preventing disguised re-entry through refined products made elsewhere. Thirdly, the inclusion of Nord Stream in a full transaction ban showed that the sanctions track now extended to dormant or politically symbolic infrastructure in order to block any path to quiet renormalisation. By mid-2025, the energy track was therefore no longer centred only on what the EU imported from Russia. It had become a wider legal project of constraining the monetisation, transport, financing, and future strategic usability of Russia's external energy system.

Table 3.2.2.1-1. Key EU legal instruments in the evolution of energy sanctions against Russia, 2022–2026

Date	Legal instrument / package	Core energy measure(s)	Practical significance
8 April 2022	Council Regulation (EU) 2022/576	Ban on coal and other solid fossil fuels from Russia	First direct large-scale EU energy import prohibition against Russia
3 June 2022	Council Regulation (EU) 2022/879 (6th package)	Ban on seaborne crude oil and certain petroleum products; temporary pipeline derogations	Turned energy sanctions into a central pillar of EU economic pressure

Date	Legal instrument / package	Core energy measure(s)	Practical significance
6 October 2022	Council Regulation (EU) 2022/1904	Oil price-cap architecture for maritime transport and related services to third countries	Extended EU leverage beyond its own market through shipping and insurance control
18 December 2023	Council Regulation (EU) 2023/2878 / 12th package	Ban on liquefied propane imports; tighter oil-cap enforcement	Expanded the commodity perimeter and strengthened implementation logic
24 June 2024	Council Regulation (EU) 2024/1745 / 14th package	Ban on Russian LNG transshipment to third countries via EU territory; project-related goods/services bans; terminal-related restrictions	Extended sanctions into LNG infrastructure, project completion, and re-export channels
24 February 2025	16th package / Council Regulation (EU) 2025/395	Additional targeting of shadow-fleet vessels supporting oil-cap circumvention	Intensified anti-circumvention enforcement in the energy-logistics chain
20 May 2025	17th package / Council Regulation (EU) 2025/932	Further targeting of shadow-fleet vessels and a major Russian oil producer	Connected vessel control with revenue-source targeting
18 July 2025	18th package / Council Regulation (EU) 2025/1494	Lower oil price cap; dynamic cap review; Nord Stream transaction ban; ban on certain refined products made from Russian crude; end of Czech exemption	Marked a mature closure phase of the oil and infrastructure track
23 October 2025	19th package	LNG import ban timetable, tighter restrictions on Russian energy entities, more vessel designations	Pushed the EU from partial LNG control towards scheduled phase-out
26 January 2026 / 2 February 2026 publication	Regulation (EU) 2026/261	Gradual but permanent ban on Russian natural gas imports and preparation of the phase-out of Russian oil imports	Created a formal legal basis for long-term structural detachment from Russian gas

Authorship: prepared by the author on the basis of official EU legal acts and institutional materials.

Sources:

- Council Regulation (EU) 2022/576 of 8 April 2022.
- Council Regulation (EU) 2022/879 of 3 June 2022.
- Council Regulation (EU) 2022/1904 of 6 October 2022.
- Council Regulation (EU) 2023/2878 of 18 December 2023; Council of the European Union, 12th package press material.
- Council Regulation (EU) 2024/1745 of 24 June 2024; Council of the European Union, 14th package press material.
- Council Regulation (EU) 2025/395; Council Regulation (EU) 2025/932; Council Regulation (EU) 2025/1494; related Council package materials.
- Regulation (EU) 2026/261; European Commission, REPowerEU phase-out material.

The 19th package and the adoption of Regulation (EU) 2026/261 finally made explicit what the earlier package sequence had implied: EU energy sanctions were evolving from partial revenue-denial measures into a legal pathway for structural detachment from Russian gas and related energy dependence. The October 2025 package introduced the timetable for a ban on Russian LNG imports into the Union, with differentiated deadlines for long-term and short-term contracts. This was a major development because LNG had previously been addressed mainly through transshipment, terminal, and project-related restrictions rather than through a full import-phase-out model. The subsequent adoption of Regulation (EU) 2026/261, published on 2 February 2026, gave the gas track a more comprehensive and durable legal basis by establishing the phased-out import ban on Russian natural gas and preparing the phase-out of Russian oil imports as part of a broader dependency-reduction framework. In policy terms, this was the moment at which the energy sanctions regime intersected directly with the Union's

longer-term energy-security and decarbonisation strategy. The measure was not framed as a temporary wartime anomaly only. It was also linked to the reduction of structural dependency risk. This matters analytically because it shows that the legal evolution of energy sanctions ultimately moved beyond punitive restriction and into strategic market reordering. The energy track thus became embedded in a wider regulatory project aimed at reshaping European energy sourcing, infrastructure choices, and external vulnerability management. By early 2026, the sanctions regime could no longer be understood merely as a set of ad hoc prohibitions against Russian exports. It had become part of a long-horizon legal architecture of separation.

From the standpoint of legal typology, the EU's energy sanctions relied on a notably diverse instrument mix. The basic legal platform remained Regulation (EU) No 833/2014, which was repeatedly amended through successive Council regulations. Yet the content inserted into that framework was far from uniform. Some provisions took the form of direct import bans, such as those on coal, seaborne crude oil, certain petroleum products, liquefied propane, and, later, LNG and gas under phase-out rules. Other provisions operated through service prohibitions, particularly in maritime transport, insurance, reinsurance, brokering, technical assistance, and related trade support. A further category consisted of investment and project-completion restrictions, especially in the LNG sphere and across the broader Russian energy sector. Another set of measures was transaction-based rather than commodity-based, as illustrated by the bans affecting Nord Stream, Rosneft, and Gazprom Neft. The legal architecture also included restrictions on software, equipment, refining technologies, storage-booking arrangements, and other enabling functions whose significance lies not in immediate export interruption alone but in longer-term operational degradation and dependency reduction. This variety of legal forms demonstrates that the EU did not rely on a single model of energy sanctions. It combined classical trade law instruments with sectoral service denial, infrastructure-related transaction control, and anti-circumvention measures directed at vessels and external operators. In that sense, the energy track matured into one of the clearest examples in the overall sanctions regime of a move from straightforward embargo logic to a more complex system of market-access governance and infrastructural constraint.

The scope of measures likewise became increasingly differentiated by commodity, transport mode, infrastructure type, and contractual form. Coal was treated early and categorically because it imposed lower internal adjustment costs on the Union. Oil was treated through the legally important distinction between seaborne and pipeline deliveries, with transitional derogations reflecting Member State exposure. Petroleum products then became part of the architecture both through direct product restrictions and, later, through the prohibition on certain third-country refined products made from Russian crude. LPG entered the regime through a targeted import ban, signalling a willingness to widen the commodity perimeter where feasible. LNG developed through a more incremental path, beginning with transshipment and terminal-related restrictions, moving through project-completion and service bans, and later advancing towards import phase-out. Gas, the most politically sensitive category, remained the slowest to enter a full detachment model, which is why the 2026 regulation is so important in legal-historical terms. The Commission's energy-sanctions overview also makes clear that the scope of measures expanded into areas such as gas storage booking, software for oil and gas exploration, refining technologies, mining investments, and restrictions linked to specific Russian energy entities and infrastructures. The sanctions regime therefore covered not only upstream revenue generation and physical imports, but also midstream logistics, service provision, storage, technical enablement, and future expansion capacity. This breadth is analytically significant because it shows that the EU's energy measures were designed to compress the Russian energy interface across multiple stages of value creation rather than at one isolated point only.

A further defining feature of the legal architecture was its reliance on derogations, transition periods, and differentiated applicability rather than instant uniformity. These elements should not be treated merely as political compromises of secondary importance. They were constitutive of the energy sanctions model itself. The oil embargo could be adopted only because the law distinguished between seaborne and pipeline supply and because it allowed temporally bounded adjustments for more

dependent Member States. The LNG track similarly evolved through differentiated treatment of transshipment, terminal connectivity, and contract duration rather than through an immediate universal ban. Even the gas phase-out logic incorporated a staged approach designed to preserve legal credibility and operational feasibility. The same is true of the price-cap mechanism, which did not ban all maritime trade in Russian oil but instead conditioned service access on compliance with a cap structure. In practice, therefore, scope and derogation were not opposites. They operated together as instruments of calibrated coercion. This is important for analytical interpretation, because a superficial reading might see every exception as a weakness. In reality, many of these distinctions allowed the Union to widen the sanctions perimeter while maintaining internal cohesion and avoiding self-damaging energy shocks. The package evolution of energy sanctions is thus inseparable from the legal engineering of gradation, transition, and controlled asymmetry.

Table 3.2.2.1-2. Scope differentiation within the EU energy sanctions regime against Russia

Energy object / channel	Main legal form of restriction	Core period of expansion	Scope logic	Key limiting feature or derogation logic
Coal and other solid fossil fuels	Direct import ban and related service restrictions	2022	Early, relatively low-cost sectoral strike	Less politically sensitive for EU energy security
Seaborne crude oil	Import ban	2022	High-revenue target with major fiscal relevance for Russia	Pipeline derogations for certain Member States in the initial phase
Certain petroleum products	Import ban	2022 onward	Extend oil pressure into downstream trade	Transition periods and later refinements
Maritime transport, insurance, reinsurance, brokering	Service prohibition linked to price cap	2022 onward	Affect Russian exports to third countries through EU-linked service leverage	Allowed where purchased at or below the cap
Liquefied propane (LPG)	Product-specific import ban	2023	Commodity-perimeter widening	Narrower product category than crude oil or gas
Russian LNG transshipment via EU territory	Prohibition on reloading services	2024	Target re-export and third-country facilitation channels	Did not yet amount to a full EU LNG import ban
LNG projects under construction	Ban on investments, goods, technology, and services	2024	Suppress expansion and completion capacity	Project-focused, not initially universal across all LNG trade
Russian LNG imports into certain EU terminals	Import restriction	2024	Limit low-justification entry routes	Focused on terminals not connected to the interconnected gas system
Russian LNG imports into the EU more generally	Timetabled phase-out ban	2025	Shift from partial control to structured import elimination	Different deadlines for long- and short-term contracts
Russian natural gas imports	Gradual but permanent phase-out ban	2026	Structural detachment from Russian gas dependence	Managed phase-out rather than immediate cut-off
Nord Stream and designated Russian energy entities	Transaction bans	2025 onward	Block infrastructural or corporate routes to reactivation and monetisation	Entity- and infrastructure-specific
Refined petroleum products made from Russian crude in third countries	Import ban	2025	Prevent disguised re-entry through external refining	Limited country exceptions

Authorship: prepared by the author on the basis of official EU legal acts and institutional materials.

Sources:

- European Commission. Sanctions on energy.
- Council of the European Union. EU sanctions against Russia: Questions and answers.
- Council of the European Union. 14th, 18th, and 19th package materials.
- Regulation (EU) 2026/261.

This differentiated structure also reveals the increasingly extra-territorial practical reach of the energy track, even where the legal acts remained framed as autonomous EU restrictive measures rather than classical secondary sanctions. The clearest example is the price-cap regime, which leverages the centrality of EU- and G7-linked maritime services to influence Russian oil exports to non-EU destinations. Later measures extended this external-facing effect by targeting shadow-fleet vessels, ship-management structures, traders, and third-country pathways used to preserve Russian energy revenues. The fourteenth package's LNG transshipment ban likewise had a reach beyond internal consumption because it targeted the EU territory as a re-export platform for deliveries onward to third countries. The ban on certain refined petroleum products derived from Russian crude performed a similar anti-disguise function by preventing Russian-origin value from re-entering the Union after transformation elsewhere. What emerges from these measures is not a purely inward-looking import-control regime. It is a sanctions structure that attempts to reduce Russia's room for adaptation in external markets by acting on the logistics and services through which energy trade is made viable. In this sense, the scope of measures cannot be captured by looking only at import prohibitions into the EU. The legal architecture also addresses the enabling environment of Russian energy exports beyond the Union's borders. That is one reason why the energy track became increasingly intertwined with shipping control, due diligence, vessel listings, and anti-circumvention enforcement. The maturing sanctions regime treated energy not simply as a commodity problem, but as a networked system of revenue extraction requiring intervention across the full chain of transport, services, and market access.

Taken as a whole, the legal evolution of EU energy sanctions from 2022 to early 2026 demonstrates a clear movement from selective import denial towards an integrated regime of energy separation, revenue constraint, and infrastructural suppression. The initial commodity bans on coal and oil created the core political and legal precedent. The price cap introduced a service-based and externally relevant innovation. The 2023 and 2024 packages widened the commodity and infrastructure perimeter, especially in LPG and LNG. The 2025 packages strengthened the anti-circumvention and closure dimension by targeting vessels, entities, processed products, and symbolic infrastructure such as Nord Stream. Finally, the 2026 gas phase-out framework linked sanctions with the strategic reduction of dependency. This package evolution is best understood as cumulative and architectural. Each measure did not replace the previous one, but added another layer of operational restriction, legal closure, or future detachment. The result is a sanctions subsystem whose importance lies not only in any single ban, but in the aggregate narrowing of the legal, logistical, and commercial channels through which Russia can convert hydrocarbons into strategic power. From the perspective of the overall report, this makes the energy domain one of the clearest examples of sanctions as structural pressure rather than episodic punishment. Its legal design, precisely because it is differentiated and sequenced, reveals how the EU sought to turn a vulnerable interdependence into a managed regime of long-term coercive separation.

3.2.2.2. Objectives and Strategic Logic

The objectives of EU energy sanctions against Russia are broader than a simple restriction of imports or a symbolic punishment for aggression. From the outset, the energy track has combined at least four strategic purposes that must be analysed together if its inner logic is to be understood properly. The first purpose is fiscal and geopolitical: to reduce the export rents that enable the Russian state to finance war, absorb macroeconomic shocks, and preserve coercive capacity. The second is structural and security-related: to dismantle a long-standing pattern of asymmetric dependency in which the Union remained exposed to a supplier willing to instrumentalise energy for political coercion. The third is

market-governance oriented: to weaken Russian revenue streams without triggering a sudden global supply shock that would damage the Union more than the target. The fourth is institutional and long-term: to transform energy sanctions from emergency restrictions into a durable regime of economic separation, strategic diversification, and resilience-building. These purposes explain why the EU's measures in the energy sphere were sequenced, differentiated, and repeatedly recalibrated rather than imposed in a single undifferentiated act. They also explain why the energy track has always been linked to REPowerEU, storage policy, infrastructure build-out, demand reduction, and external diversification. In other words, sanctions and energy-security policy were not parallel agendas. They became interlocking components of one strategic project. The underlying logic is therefore not merely restrictive but re-ordering: the sanctions regime seeks simultaneously to deny Russia rents, reduce European vulnerability, and reshape the institutional conditions of future energy trade.

The most immediate strategic objective was to constrain Russia's hydrocarbon cashflow by targeting the part of the energy relationship that had long generated high and relatively stable earnings for Moscow. The Commission's own explanation is revealing in this respect. It notes that before the sanctions escalated, around half of Russia's total oil exports went to the EU, and that in 2021 the Union imported €71 billion worth of Russian oil, including both crude and refined products. That made the EU not merely a customer but one of the key demand anchors of Russia's oil export model. The logic of the seaborne oil ban was therefore not just to stop a politically problematic trade. It was to remove Russia from one of its most lucrative and institutionally reliable export markets. The strategic value of this measure lay in forcing Russian oil outward into more distant, discounted, and logistically costlier destinations. Once European demand was lost, Russia could still reroute volumes, but it would increasingly do so at lower margins and under more fragile logistical arrangements. This is why official EU materials consistently present the oil track as a revenue-denial instrument rather than only as a trade-policy measure. That framing remains central even after later packages, because oil still represented a major source of fiscal support for the Russian state. The strategic design was thus to weaken the revenue base of the war effort by degrading not merely volumes but the quality and profitability of Russia's export geography.

Yet the EU did not seek to maximise pain in a crude mechanical sense, because that would have risked severe blowback through global market disruption. The price-cap mechanism reveals the second layer of strategic logic with unusual clarity. Instead of banning all maritime transport of Russian oil to third countries, the EU prohibited transport and related services only when the oil was sold above the cap. That design allowed Russian oil to continue reaching world markets under constrained pricing conditions. The strategic intention was therefore dual. First, it aimed to compress Russian export rents by forcing sales closer to a discounted ceiling. Secondly, it aimed to preserve sufficient global supply in order to avoid a destabilising price spike that could have harmed European consumers, allied economies, and energy-importing states in the wider international system. Council explanations explicitly state that the cap is meant both to drastically reduce the revenues Russia derives from oil and to stabilise global energy prices while mitigating adverse consequences for supply to other countries. This is why the cap should be understood not as a compromise that diluted sanctions, but as a more sophisticated coercive instrument than a total maritime prohibition would have been. The EU was not simply trying to stop Russian oil from moving. It was trying to change the terms on which that oil could move, and thereby reduce the strategic value of every exported barrel.

A further strategic purpose emerges from the way the EU increasingly focused on maritime services, insurance, reinsurance, brokering, and other enabling layers of the oil trade. This service-centred logic rests on a basic insight: in modern energy commerce, revenue generation depends not only on production and sale, but also on the legal, logistical, and financial ecosystem that makes large-scale exports possible. By conditioning access to these services on compliance with the cap, the EU exploited the continued centrality of European and coalition-linked service providers in global shipping. That gave the sanctions regime a reach beyond direct EU imports. In practical terms, the objective was to translate the Union's regulatory influence over services into downward pressure on Russian revenue earned in

third-country trade. Strategically, this mattered because it widened the sanctions perimeter from customs control to transaction architecture. It also introduced a compliance logic that compelled private operators to perform attestation, due diligence, and risk management. Thus, the energy regime became not only a matter of banning things at the border, but also of governing the conditions under which commercial intermediation could occur. This shift from commodity restriction to service leverage is one of the most important strategic developments in the entire energy track. It made the sanctions architecture more scalable, more externally relevant, and more capable of shaping Russian export economics beyond the EU's own market.

Table 3.2.2.2-1. Core objectives and strategic logic of EU energy sanctions against Russia

Strategic objective	Main instruments	Operational logic	Intended effect on Russia	Intended effect on the EU
Revenue denial	Seaborne oil ban, refined products restrictions, coal/LPG/LNG bans	Remove access to a premium market and compress margins	Lower fiscal proceeds from energy exports	Reduce financial contribution of EU demand to the Russian war economy
Rent compression without supply shock	Oil price cap and related service restrictions	Allow exports only under discounted conditions	Reduce net earnings per barrel	Avoid abrupt global shortages and extreme price spikes
Service-layer leverage	Shipping, insurance, brokering, technical assistance restrictions	Control enabling functions rather than only goods at the border	Increase transaction costs and reduce export flexibility	Use EU regulatory power beyond direct imports
Structural dependency reduction	REPowerEU, gas phase-out rules, national diversification plans	Replace Russian supply with diversified and domestic alternatives	Erode long-term market position in Europe	Increase resilience, optionality, and strategic autonomy
Anti-circumvention pressure	Vessel listings, reinsurance bans, scrutiny of shadow-fleet actors	Raise the cost of evasion and logistics opacity	Disrupt workaround channels and force riskier trade patterns	Protect the integrity of the sanctions regime
De-normalisation of future energy ties	Nord Stream transaction ban, tighter rules on designated energy entities	Block reactivation of politically risky infrastructure and entities	Reduce future monetisation options	Prevent a quiet return to pre-war dependency

Authorship: prepared by the author on the basis of official EU legal and policy materials.

Sources:

- European Commission. (n.d.). *Sanctions on energy*. European Commission.
- Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*.
- Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*. Consilium.
- Regulation (EU) 2026/261 of the European Parliament and of the Council of 26 January 2026 on phasing out Russian natural gas imports and preparing the phase-out of Russian oil imports, improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938. (2026). *Official Journal of the European Union*, L 2026/261. EUR-Lex.

A distinct but equally central strategic objective has been the reduction and eventual elimination of the EU's dependence on Russian fossil fuels. Here the sanctions logic cannot be separated from the Union's broader post-2022 energy doctrine. REPowerEU was explicitly framed as a plan to rapidly reduce dependence on Russian fossil fuels while accelerating the clean transition and strengthening energy security. Later official communications described the same agenda as one of full energy independence from Russia. This means that the EU no longer treated Russian energy merely as a hostile source of external income. It also treated it as a structural vulnerability inside the European system. The strategic problem was not only that Russia earned money from selling gas and oil. It was also that dependency on

those supplies created recurring risks for the single market, industrial competitiveness, household welfare, and political cohesion. The move from sanctions packages to the 2025 roadmap and the 2026 gas phase-out regulation therefore reflects a deeper shift in policy rationality. The goal was no longer only to punish aggression through temporary restrictions, but to reconfigure the material basis of the Union's external energy relationships. In that sense, energy sanctions became a mechanism of strategic decoupling embedded in a wider programme of resilience, diversification, and decarbonisation.

The gas track shows this dependency logic especially clearly because the 2026 regulation states it in direct strategic terms. Its recitals explain that the war revealed the dramatic consequences of existing dependence on Russian gas, that Russia had systematically exploited such dependence as a political weapon, and that the Union could no longer regard Russia and its energy companies as reliable energy trading partners. This is not merely rhetorical framing. It defines the objective of the measure. The point of the stepwise ban is to eliminate exposure to coercive dependence while preserving supply security through coordination, diversification plans, and emergency safeguards. The regulation therefore combines prohibition with monitoring, reporting, and contingency flexibility. Member States are required to prepare national diversification plans, companies must notify authorities of remaining Russian gas contracts, and the Commission may temporarily suspend the import ban in a declared emergency. This reveals a very specific strategic logic. The Union seeks not a theatrical rupture, but a controlled and credible phase-out that removes a geopolitical vulnerability while preserving governability in the internal market. The logic of the gas phase-out is thus not punitive alone. It is preventive, resilience-building, and security-oriented at the same time.

The treatment of LNG adds a further layer to the strategic picture, because it shows how the EU differentiated between immediate domestic vulnerability and broader revenue-denial opportunities. In June 2024, the Council explained that the purpose of banning the reloading of Russian LNG in EU territory for transshipment to third countries was to ensure that EU facilities were not used to facilitate such trade and thereby reduce the significant revenues Russia derives from LNG sale and transport. This was strategically important because it attacked monetisation channels that did not necessarily depend on final EU consumption. It also targeted project completion and investment in Russian LNG infrastructure, particularly projects under construction, thus extending sanctions from current cashflow to future export capacity. By 2025, the LNG logic moved further towards import elimination, with the 19th package establishing a timetable for banning Russian LNG imports into the EU. The strategic point of this sequence is easy to miss if one looks only at each measure separately. The Union first used LNG restrictions to deny re-export services and suppress expansion. It then moved to direct import phase-out once market adjustment and diversification capacity had improved. The result is a staged strategy that combines immediate revenue friction, medium-term infrastructure inhibition, and long-term market exit.

Another major objective was to make sanctions in the energy domain compatible with internal cohesion, solidarity, and affordability. This is one reason why the energy track never functioned as a free-standing coercive instrument. It was paired with demand reduction, storage obligations, joint purchasing mechanisms, external supply agreements, and infrastructure reinforcement. Official Commission materials underline that the EU responded by stabilising prices, filling storage facilities well above the minimum threshold, reducing gas demand, and expanding infrastructure so that every Member State could receive gas from at least two sources. These internal measures were not separate from the strategic logic of sanctions. They were what made tougher sanctions politically and operationally sustainable. In effect, the EU's energy strategy worked on two fronts simultaneously. Outwardly, it constrained Russian revenues and reduced Russian access to a major market. Inwardly, it reduced the capacity of Russian supply disruptions to generate panic, scarcity, or bargaining leverage inside the Union. This dual logic explains why the sanctions architecture remained politically resilient even as it moved from coal and oil towards more difficult gas and LNG decisions. The strategic premise was that pressure on Russia could be sustained only if Europe reduced its own sensitivity to disruption.

The anti-circumvention dimension became progressively central because the EU recognised that revenue-denial measures would lose strategic value if workaround systems matured unchecked. This is why later packages focused so heavily on the shadow fleet and its value chain. The 18th package added 105 vessels to the sanctions' perimeter, bringing the total then to 444, while the 19th package added another 117, bringing the total to 557. These measures were not symbolic listings detached from the energy regime. Official texts describe them specifically as targeting non-EU tankers that circumvent the oil price cap or otherwise support Russia's energy sector. The 19th package also introduced a ban on reinsuring shadow-fleet vessels and targeted registries and operators facilitating false compliance. The strategic objective here was not to stop circumvention completely in one stroke. It was to degrade its scalability, raise its cost, increase operational opacity and risk for facilitators, and narrow the margin through which Russia could preserve export revenues outside regulated service channels. In a broader sense, the anti-circumvention drive transformed sanctions from a static set of rules into a competitive governance system in which enforcement pressure adapts to Russian workarounds. That adaptation is itself part of the strategic logic of the energy track.

Table 3.2.2.2-2. Strategic evolution of EU energy sanctions against Russia

Phase	Main strategic concern	Predominant instruments	Core logic	Expected policy outcome
Early 2022	Immediate response to aggression with manageable internal cost	Coal ban, initial energy-sector investment and technology restrictions	Start revenue denial where adjustment costs for the EU are lower	Establish legal precedent for direct energy sanctions
Mid-late 2022	Curtail major oil revenues while avoiding market shock	Seaborne oil ban, pipeline derogations, crude and product price caps	Remove premium market access but preserve global flows underprice discipline	Lower Russian rents while containing spillovers
2023	Consolidation and perimeter widening	LPG measures, tighter enforcement around oil and products	Close narrower commodity loopholes and strengthen implementation	Reduce adaptation space and improve regime credibility
2024	Infrastructure and re-export control	LNG transshipment ban, project-completion restrictions, terminal-based limits	Prevent EU territory and EU services from enabling Russian LNG monetisation	Shift pressure from trade alone to trade-plus-infrastructure
2025	Anti-circumvention escalation and de-normalisation	Shadow-fleet listings, reinsurance restrictions, Nord Stream ban, refined products ban, tighter oil-cap review	Attack workaround logistics and block disguised re-entry and future reactivation	Raise costs of evasion and prevent quiet restoration of old energy ties
2026	Formal structural separation	Regulation (EU) 2026/261, diversification plans, monitoring obligations	Move from sanctions packages to a stepwise legally governed phase-out of remaining gas dependence	Lock in long-term detachment from Russian energy exposure

Authorship: prepared by the author on the basis of official EU legal and policy materials.

Sources:

- Council of the European Union. (2024, June 24). *Russia's war of aggression against Ukraine: comprehensive EU's 14th package of sanctions cracks down on circumvention and adopts energy measures*. Consilium.
- Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*. Consilium.
- Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*. Consilium.
- European Commission. (n.d.). *REPowerEU – phase out of Russian energy imports*.
- Regulation (EU) 2026/261 of the European Parliament and of the Council of 26 January 2026 on phasing out Russian natural gas imports and preparing the phase-out of Russian oil imports, improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938. (2026). *Official Journal of the European Union*, L 2026/261. EUR-Lex

A final strategic objective, increasingly visible by 2025–2026, was to prevent the quiet restoration of pre-war energy interdependence under the cover of technical normalisation. This is why the sanctions regime expanded beyond import and service restrictions to include measures that shape future expectations and future options. The full transaction ban on Nord Stream 1 and 2 is the clearest example. Officially, it was designed to prevent the completion, maintenance, operation, and any future use of those pipelines. Strategically, however, its significance is broader. It signals that infrastructure which once embodied dependency is no longer to be treated as a dormant commercial asset waiting for improved political conditions. The tightening of measures on Rosneft and Gazprom Neft, and the push for oil diversification plans under the 2026 regulation, move in the same direction. The EU is not only restricting current transactions. It is also narrowing the pathways through which future reactivation of energy dependence might occur. This de-normalisation logic matters because sanctions often fail when markets assume that restrictive measures are temporary noise around an ultimately recoverable business model. In the energy sphere, the EU has sought to undermine precisely that expectation and replace it with a credible horizon of durable separation.

Taken together, the strategic logic of EU energy sanctions against Russia is therefore cumulative, layered, and historically adaptive. It began with comparatively manageable prohibitions, then advanced to oil revenue compression, then to service-layer leverage, then to LNG and infrastructure control, then to anti-circumvention escalation, and finally to the legal codification of phased separation from Russian gas and residual oil dependence. Each stage built on the previous one but added a new strategic dimension. The regime first reduced income, then reduced bargaining power, then reduced workaround capacity, and finally reduced the plausibility of future re-entanglement. This is why the energy track should not be read as a collection of disconnected sectoral prohibitions. It is a coherent strategic architecture whose internal purpose is to transform the relationship between Russia's export model and the European energy system. The EU's objective has not been merely to buy less from Russia. It has been to make Russian energy less profitable, less reliable, less institutionally embedded, less logistically supportable, and less politically recoverable within Europe. Seen in that light, the energy regime stands out as one of the most structurally ambitious components of the wider sanctions policy.

3.2.2.3. Advantages and Structural Effects

One of the principal advantages of energy sanctions as an instrument of coercive policy is that they act upon the very centre of the Russian external revenue model rather than on a peripheral economic segment. Russia's export structure has historically relied on hydrocarbons not merely as one important sector among many, but as a strategic source of fiscal income, foreign-exchange generation, geopolitical leverage, and macroeconomic resilience. In that context, energy sanctions offer a degree of asymmetry that many other restrictive measures do not. They can weaken a high-value income stream for the target while gradually reducing the sanctioning side's own dependence through substitution, infrastructure adaptation, and regulatory coordination. The oil track illustrates this advantage especially clearly. The Commission has underlined that around half of Russia's total oil exports used to go to the European Union and that in 2021 the EU imported EUR 71 billion worth of Russian oil, which means that the Union was not dealing with a marginal trade corridor but with one of Moscow's most lucrative premium outlets. Once this market was lost or sharply curtailed, Russia could still redirect substantial volumes, but only by accepting longer routes, deeper discounts, and a narrower set of customers. The structural effect of this change is not limited to a one-off decline in exports. It alters the quality of Russia's export geography by replacing a nearby, rules-based, high-value market with more politically contingent and logistically demanding alternatives. From the standpoint of sanctions design, that is a major advantage because it produces cumulative pressure rather than a purely momentary shock.

A second advantage lies in the fact that EU energy sanctions have never depended on a single legal mechanism. Their strength derives from their layered construction. The regime combines direct import bans, service restrictions, shipping and insurance controls, transaction prohibitions, infrastructure-

related restrictions, and anti-circumvention measures. This multiplicity matters because it reduces the probability that the target can neutralise the regime through one simple workaround. If Russia loses direct access to the EU oil market, the service layer still constrains its global exports. If it seeks to preserve cashflow through maritime rerouting, the price cap and vessel targeting increase transaction risk and lower margins. If it attempts to restore future optionality through dormant infrastructure, transaction bans on Nord Stream reduce that path as well. Such layering gives energy sanctions a durability that simpler embargo models often lack. It also allows the Union to recalibrate the regime without abandoning it. New packages can intensify one layer, close a loophole in another, or add a new commodity and still remain coherent within the broader architecture. Strategically, this makes energy sanctions more adaptive than a single all-or-nothing prohibition would have been.

A third advantage is the distinctive leverage that the EU and its partners have exercised through the service and compliance environment of global energy trade. Classical sanctions often focus on the movement of goods themselves. Energy sanctions, by contrast, have been especially effective when they have operated on the enabling ecosystem of transport, insurance, brokering, technical services, certification, and financial intermediation. The oil price-cap regime is the clearest example of this strategic innovation. It does not simply stop oil from moving; it changes the conditions under which oil can be moved lawfully and commercially with access to mainstream maritime services. This means that the EU can affect Russian oil revenues even when the final buyer is not in the Union. That is a major institutional advantage because it extends the practical reach of the sanctions without formally converting the regime into a classical secondary-sanctions system of the American type. It also mobilises private compliance actors as part of the enforcement chain, thereby multiplying the regime's operational footprint. For a sanctions architecture that seeks to constrain revenue while avoiding uncontrolled supply disruption, that is an especially valuable feature. The result is not absolute immobilisation of Russian exports, but a persistent effort to force them into less efficient, less transparent, and less profitable channels.

Table 3.2.2.3-1. Analytical advantages of the EU energy-sanctions regime against Russia

Advantage	Mechanism	Why it matters strategically	Principal structural effect
High-value targeting	Focus on oil, gas, coal, LNG and associated services	Acts on Russia's most important external revenue base	Compresses fiscal space and weakens macro-financial resilience
Layered legal architecture	Import bans, price cap, service restrictions, transaction bans, vessel listings	Reduces the effectiveness of single-channel circumvention	Creates cumulative rather than episodic pressure
External reach through services	Shipping, insurance, brokering and compliance requirements	Allows the EU to shape trade beyond its own import market	Forces exports into riskier, costlier, less transparent routes
Controlled escalation	Phased bans, derogations, commodity-by-commodity widening	Maintains EU cohesion and reduces self-inflicted shocks	Enables sanctions to be sustained over time
Integration with resilience policy	REPowerEU, storage rules, infrastructure, diversification, demand reduction	Makes the sanctions regime governable domestically	Converts coercion into durable structural separation
Adaptive anti-circumvention	Shadow-fleet listings, reinsurance bans, refined-products closure	Preserves the credibility of sanctions as workarounds expand	Raises the cost of evasion and narrows loopholes

Authorship: prepared by the author on the basis of official EU legal and policy materials and energy-market analysis.

Sources:

- European Commission. (n.d.). *Sanctions on energy*. European Commission.
- Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*. Consilium.

- Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*. Consilium.
- Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*. Consilium.

A fourth advantage is that the EU has managed to make the energy track progressively harder to unwind politically and institutionally. In sanctions policy, reversibility can sometimes be a weakness because markets begin to assume that the restrictive regime is temporary and will eventually be normalised. In the energy domain, the Union has increasingly moved in the opposite direction. The combination of REPowerEU, gas-storage rules, import diversification, LNG terminal expansion, interconnectors, and the 2026 gas phase-out regulation has embedded sanctions within a broader reorganisation of European energy security. This reduces the probability that the regime will collapse under the weight of short-term political fatigue. The key point here is not merely that the EU has imposed penalties on Russia. It is that the Union has altered its infrastructure, regulatory expectations, procurement patterns, and strategic planning around the assumption of long-term disengagement from Russian energy dependence. That gives the sanctions much greater structural depth. Once capital investment, storage governance, long-term supply contracts, and network interconnections have been redirected, sanctions cease to look like a temporary departure from normality and begin to function as part of a new normal. This institutional embedding is one of the most important advantages of the energy track in comparison with more symbolic or isolated sanctions domains.

A fifth advantage is the flexibility of escalation that the energy regime has demonstrated over time. The EU did not need to choose between impotence and a single maximal embargo. Instead, it built the sanctions step by step, starting with comparatively easier sectors such as coal, moving to seaborne oil and petroleum products, then to the price cap, then to LNG transshipment, then to project-completion restrictions, then to the refined-products loophole, then to new shadow-fleet designations and lower cap levels. This graduated method produced a major political dividend. It allowed the Union to preserve consensus among Member States with different levels of exposure, different energy mixes, and different economic sensitivities. That is not a trivial institutional matter. Cohesion is itself a strategic advantage in sanctions policy, because the effectiveness of a long-duration regime depends on the sanctioning coalition's ability to maintain direction under stress. The phased structure also had an economic advantage. It created time for substitution, for storage filling, for demand reduction, for infrastructure completion, and for the formation of new external partnerships. As a result, later stages of sanctions could be stronger than early stages precisely because the Union had first reduced its own vulnerability. Controlled escalation thus became part of the regime's effectiveness rather than a sign of weakness.

A sixth advantage is the increasingly adaptive character of anti-circumvention measures. Energy sanctions inevitably generate evasion attempts because the underlying commodities remain globally traded and commercially valuable. The relevant question, therefore, is not whether circumvention will occur, but whether the sanctions regime can raise its cost, limit its scalability, and preserve pressure over time. In this respect, the later packages have produced a structurally important shift. The 18th package lowered the oil price cap from USD 60 to USD 47.6 per barrel, introduced a dynamic review mechanism, expanded the net around shadow-fleet vessels, and targeted entities managing those routes. The 19th package added further vessel listings, expanded action against shadow-fleet enablers, and introduced a ban on reinsuring those vessels. These steps show that the regime is capable of evolving from static rules to adaptive enforcement. That is strategically advantageous because it prevents circumvention from becoming a stable equilibrium. It also signals to private operators that evasion channels may remain available only at rising legal, commercial, and reputational risk. In sanctions design, such adaptability is a major source of long-run effectiveness.

The structural effects on the EU side are already visible in the rapid collapse of Russian shares in European fossil-fuel supply. According to the Commission's 2025 stocktake, imports of Russian gas fell from 150 bcm in 2021 to 52 bcm in 2024, with the Russian share of EU gas imports declining from 45% to 19%. The same official material records that crude oil imports from Russia fell from 27% to 3%, while

Russian coal imports were reduced to zero. By early 2026, the Commission stated that dependence on Russian gas had fallen further to 12% in 2025, that oil imports had shrunk to 2%, and that only two EU countries were still importing Russian oil. These figures are important not just as descriptive statistics. They indicate that sanctions have contributed to a real reconfiguration of the Union's import structure. A supplier that once occupied a systemically significant place in the European energy balance has been pushed to the margins in coal and oil and sharply reduced in gas. In structural terms, that is an effect of first-order importance. It reduces Russia's leverage over Europe while also reducing Europe's structural exposure to politically weaponised supply.

The effects are also visible in demand-side adaptation, which has strengthened the effectiveness of the sanctions regime by weakening the quantity of gas that Europe needs to replace. Between August 2022 and January 2025, the EU reduced its gas demand by 17%, equivalent to around 70 bcm per year. The Commission's security-of-supply materials further report that between August 2022 and December 2023, EU countries collectively reduced gas demand by more than 100 bcm compared with the five-year average. This is not merely a short-term conservation story. It is a structural effect because it changes the underlying elasticity of European dependence. The less gas the Union must secure under emergency conditions, the more credible its sanctions and phase-out commitments become. Demand reduction also lowered the scale of substitution needed from alternative suppliers, which in turn reduced market stress. From a policy perspective, this confirms that energy sanctions were most effective when combined with efficiency, behavioural adjustment, industrial adaptation, and administrative coordination rather than treated as a standalone legal prohibition. It also demonstrates why the EU could move from emergency response to a more confident phase-out strategy without reopening the original dependence pattern.

A further structural effect has been the strengthening of European resilience through diversification and infrastructure adaptation. The Commission reports that investments in LNG terminals and gas interconnectors have ensured that every EU country can now receive gas from at least two sources and that reverse flows are possible between neighbours. It also notes that the Union increased LNG imports from North America, Australia, Qatar, and East Africa, while reinforcing pipeline supply from Norway, the United Kingdom, Azerbaijan, and North Africa. The IEA adds an important quantitative dimension to this shift by showing that European LNG imports grew by 64 bcm in 2022, an increase of more than 60% year on year, effectively replacing Russian pipeline flows as the primary gas source for the continent. This reorientation was not frictionless, but its structural meaning is profound. Europe replaced a concentrated dependence on one politically hostile supplier with a broader and more distributed supply matrix, supported by interconnections and storage rules. In institutional terms, this increases optionality. In geopolitical terms, it reduces susceptibility to coercive supply interruption. In sanctions terms, it means that restrictive measures become more sustainable because the underlying system is better able to operate without the sanctioned supplier.

Table 3.2.2.3-2. Selected structural effects of EU energy sanctions and related resilience measures, 2021–2026

Indicator	Pre-sanctions / early-war baseline	Later outcome	Structural meaning
Share of Russian gas in EU imports	45% in 2021	19% in 2024; 12% in 2025	Sharp reduction of strategic dependence on Russian gas
Russian gas volumes to the EU	150 bcm in 2021	52 bcm in 2024; remaining 35 bcm targeted for elimination under the new phase-out framework	Shift from entrenched dependence to managed exit
Share of Russian crude oil in EU imports	27% at the beginning of 2022	3% in 2024; 2% in 2025	Collapse of Russia's role in EU oil supply

Indicator	Pre-sanctions / early-war baseline	Later outcome	Structural meaning
Russian coal imports to the EU	Material pre-war trade flow	Reduced to zero	Complete elimination of one energy-import channel
EU gas demand	Average 2017–2021 benchmark	Down 17% between Aug. 2022 and Jan. 2025; over 100 bcm lower between Aug. 2022 and Dec. 2023 versus the 5-year average	Lower demand made sanctions and phase-out policies more governable
EU gas storage target	No pre-war strategic filling rule of comparable kind	90% annual filling target; 95% filled before winter 2024–2025	Greater shock absorption and winter security
European LNG imports	Pre-crisis level in 2021	Up by 64 bcm in 2022, more than 60% year on year	Successful redirection towards alternative supply channels
Supply optionality inside the EU	Uneven pre-war diversification	Every EU country can now receive gas from at least two sources	Reduced vulnerability to unilateral supply disruption
EU electricity from renewables	Lower historical shares	47.5% of gross electricity consumption in 2024	Supports longer-term substitution away from imported fossil fuels

Authorship: prepared by the author on the basis of official EU, Eurostat, and IEA materials.

Sources:

- European Commission. (n.d.). *REPowerEU — phase out of Russian energy imports*. Directorate-General for Energy.
- European Commission. (2025, May 16). *REPowerEU 3 years on: Commission takes stock of progress to phase out Russian fossil fuels*. Directorate-General for Energy.
- European Commission. (n.d.). *EU action to address the energy crisis*. European Commission.
- European Commission. (n.d.). *Security of gas supply*. Directorate-General for Energy.
- International Energy Agency. (2026). *Gas Market Report, Q1-2026: Executive summary*. IEA.
- Eurostat. (2026, January 14). *2024: Nearly 50% of EU electricity came from renewables*. Eurostat.

The resilience effect is further reinforced by storage governance and improved crisis management. The gas-storage rules introduced after the invasion established a 90% filling target, and the Commission reported that storage was 95% full before the winter of 2024–2025. It further stated that the market-correction mechanism designed to protect against extreme gas-price disruption never needed to be triggered, partly because of structural demand decline, reliable LNG and pipeline imports from trusted partners, and enhanced import infrastructure. These developments matter because they show that sanctions did not simply sever a link with Russia and hope that markets would cope. They were accompanied by institutional shock absorbers. Storage obligations, dashboards, coordination mechanisms, and emergency planning increased the Union's capacity to live with lower Russian supply. The Commission even concluded, after the end of gas transit via Ukraine, that no security-of-supply concerns had been identified and that the 14 bcm per year formerly transiting Ukraine could be replaced through LNG and non-Russian pipeline imports. This is a major structural effect because it demonstrates that what had once been treated as a critical vulnerability was increasingly manageable within the Union's own system architecture. In practical terms, that makes sanctions more credible, because a restrictive regime is only as strong as the sanctioner's ability to absorb retaliation or disruption.

The energy-sanctions regime has also interacted with a longer-term transformation of the European energy mix, which is another advantage from the standpoint of durable strategic effect. The Commission noted in 2024 that the EU had, since 2022, produced more electricity from wind and solar than from gas, while Eurostat reported that renewables accounted for 47.5% of gross electricity consumption in the EU in 2024. These figures do not mean that sanctions alone caused the energy transition, and it would be analytically inaccurate to claim that they did. However, sanctions clearly accelerated the political and strategic value of domestic renewable expansion, grid investment, energy efficiency, and industrial

decarbonisation. This matters because it changes the substitution frontier. The more the Union can rely on domestic renewable generation, interconnection, and flexible infrastructure, the less vulnerable it becomes to hydrocarbon coercion. From the standpoint of sanctions policy, this is an unusually powerful form of structural reinforcement. The restrictive regime does not merely deny Russia income in the present. It also helps create conditions under which future dependence becomes progressively less rational, less necessary, and less attractive. That is an effect few sanctions regimes achieve at comparable scale.

On the Russian side, the structural effects increasingly concern export concentration and strategic narrowing rather than absolute export collapse alone. CREA's 2025 monthly analyses indicate that Russian fossil-fuel exports became highly concentrated, with China dominating purchases of coal and crude oil, Türkiye becoming the largest buyer of oil products, and the EU remaining a large buyer only in residual categories such as LNG and pipeline gas. This pattern matters for two reasons. First, a concentrated customer base weakens Russia's bargaining power over time because dependency on a small number of buyers tends to increase discount pressure. Secondly, it changes the geometry of export risk. A system previously supported by diversified and high-value European demand is pushed towards narrower corridors in which trade is more vulnerable to logistical disruption, policy change, or bargaining asymmetry. Even where volumes remain significant, this is a structural deterioration in market quality from the exporter's perspective. It means that sanctions can have a meaningful long-term effect without eliminating trade altogether. The target may still sell, but it increasingly sells under worse commercial and geopolitical conditions. That is precisely the kind of structural effect that makes energy sanctions more consequential than a superficial reading of trade volumes alone might suggest.

Taken together, the advantages and structural effects of EU energy sanctions can therefore be summarised in a precise way. They have attacked a revenue core rather than a marginal sector. They have combined import bans with service leverage, which greatly expanded practical reach. They have been sequenced in a way that preserved EU cohesion and reduced self-inflicted vulnerability. They have been reinforced by resilience measures that reduced Russian shares in coal, oil, and gas while strengthening storage, diversification, interconnectivity, and demand restraint. They have also increased the adaptive capacity of the sanctions' regime through repeated anti-circumvention tightening. Finally, they have begun to alter the long-term logic of the EU–Russia energy relationship by embedding separation in infrastructure, regulation, and strategic planning. For these reasons, the energy track stands out not merely as a restrictive policy but as one of the most structurally transformative components of the broader sanctions regime. Its significance lies not only in what it has forbidden, but in what it has reconfigured.

3.2.2.4. Limitations, Circumvention, and Near-Term Effectiveness Outlook

The limitations of energy sanctions against Russia should not be interpreted as proof of failure, but neither should they be obscured by overly declarative claims about strategic success. Energy is one of the most difficult domains in which sanctions can be made fully watertight because it combines high global liquidity, fungible commodities, powerful commercial incentives for evasion, and a large infrastructure base that cannot be politically reconfigured overnight. Oil can be rerouted, gas contracts are sticky, LNG cargoes can move through intermediated chains, and shipping ownership can be restructured with considerable speed. For that reason, the real question is not whether the EU has achieved a perfect prohibition effect, but whether it has managed to impose structural frictions that progressively weaken Russia's export model while keeping the European side governable. The evidence suggests a mixed but strategically meaningful picture. The regime has imposed real costs, narrowed Russia's access to premium markets, and reduced its role in the EU energy system, but it has not fully immobilised Russian exports or eliminated all monetisation channels. The energy track is therefore best understood as a pressure architecture constrained by the market properties of the sector it targets. Its effectiveness depends less on absolute closure than on whether restrictions continue to lower margins, complicate logistics, and restrict future strategic optionality. This also means that the regime's next

phase will depend less on announcing new principles than on tightening implementation around already identified vulnerabilities.

The first major limitation lies in the continuing global marketability of Russian oil. Even after the loss of most of the EU market, Russia has remained a major oil exporter and has redirected large volumes to buyers outside the EU, especially in Asia and Türkiye. The IEA notes that in 2023 Russian oil export volumes remained stable year on year at 7.5 million barrels per day even though exports to the EU, the United States, the United Kingdom and OECD Asia had fallen to negligible levels compared with pre-war patterns. This is a critical point. The sanctioning coalition succeeded in changing the geography of Russian exports, but not in eliminating their physical movement. That matters because as long as substantial volumes continue to clear global markets, the sanctions regime must rely on discounting, revenue compression, and logistics stress rather than on volume collapse alone. Oil's fungibility gives Russia room to adapt as long as buyers are willing to purchase at the right price and transport can be arranged. In this sense, the oil track is inherently different from sanctions on highly specialised technologies or financial services, where substitution may be more difficult. The persistence of export flows is therefore not a marginal detail but a structural limit built into the commodity itself.

A second limitation is the rapid development of the shadow fleet and related parallel service ecosystems, which have substantially weakened the practical reach of the original price-cap architecture. By late 2025 and early 2026, CREA reported that the majority of Russian crude exports were being transported outside mainstream G7-linked service channels. In December 2025, only 26% of Russian crude exports were transported by G7+ tankers, while 68% were carried by sanctioned shadow vessels. In November 2025, CREA had already observed that 65% of Russian crude exports were carried by sanctioned shadow vessels, with only 27% moved by G7+ tankers. These figures are analytically important because the price cap was designed to use shipping and insurance leverage to constrain revenues. Once a growing share of exports migrates into opaque shipping structures, the cap loses part of its operational bite even if it retains legal force. The EU has responded by listing more vessels and banning reinsurance for shadow-fleet ships, but the very need for these repeated packages shows that circumvention capacity has become industrial rather than episodic. The resulting picture is not one of sanctions irrelevance, but one in which a major part of the contest has moved from law-making to maritime enforcement and vessel-network disruption.

A third limitation follows from the ability of Russian actors and their partners to reorganise around entity-based sanctions through special purpose vehicles, rebranding, and intermediary traders. CREA's January and February 2026 analyses argue that entity-based sanctions and price caps have been "easily circumvented" through SPVs and shadow-fleet growth. Its February 2026 assessment further notes that, after sanctions hit Rosneft and Lukoil-linked trade, newly created or rebranded intermediary trading companies emerged as replacement channels, with named firms exporting significant volumes of Russian crude between December 2025 and February 2026. This illustrates a common sanctions problem in a particularly sharp form. When enforcement focuses on named firms without simultaneously constraining the logistics and service infrastructure through which trade is executed, commercial activity can migrate into fresh legal shells. The EU's later turn towards sanctions across the entire shadow-fleet value chain, including registry operators and external enablers, is therefore an acknowledgement that entity-focused measures alone cannot close the system. The structural limitation is that Russian oil exports can be commercially re-routed even when certain firms are blacklisted, provided the wider physical and documentary chain remains adaptable. This is why the most effective recent measures are those targeting not merely producers, but tankers, reinsurance, registries, and traders enabling circulation itself.

A fourth limitation concerns verification, traceability, and data opacity. Energy sanctions are much harder to enforce when authorities must identify origin, beneficial ownership, or the Russian content embedded in transformed products moving through third countries. The 2026 gas regulation itself implicitly recognises this problem by creating a prior authorisation procedure and allowing authorising authorities to request upstream delivery documentation, contract text, and even satellite tracking

information in order to verify the country of production. Such provisions would not be necessary if commodity origin were always transparent. The 18th package's ban on refined petroleum products made from Russian crude and coming from third countries was also introduced precisely because Russian-origin oil could otherwise re-enter the EU market after processing elsewhere. In the oil market more broadly, the IEA has warned that deteriorating market transparency is clouding the assessment of supply and stock developments. This opacity is not a secondary technical issue. It directly affects the enforceability of sanctions, because the less visible the chain of origin and transformation becomes, the more difficult it is to distinguish lawful substitution from disguised Russian monetisation. In energy sanctions, transparency is not merely an analytical virtue; it is an enforcement asset, and one that remains incomplete.

Table 3.2.2.4-1. Main limitations and circumvention channels in the EU energy-sanctions regime against Russia

Limitation / circumvention channel	Operational manifestation	Why it weakens sanctions effectiveness	EU response already visible	Residual problem
Global fungibility of oil	Russian crude and products can be redirected to non-EU buyers	Prevents a full volume-collapse effect	Seaborne oil ban; price cap; refined-products restrictions	Revenue pressure depends on discounts and logistics, not on full export stoppage
Shadow fleet growth	Sanctioned and false-flag vessels carry a large share of exports	Reduces reliance on mainstream EU/G7 services	Port bans; service bans; reinsurance ban; vessel listings	Fleet replacement and opaque ownership remain persistent
SPVs and rebranded intermediaries	New traders replace sanctioned firms	Entity-based sanctions can be bypassed without broader network disruption	Wider listings across the value chain	Commercial substitution can occur faster than designation cycles
Origin and traceability problems	Blending, third-country refining, opaque documentation	Complicates customs and compliance verification	Prior authorisation for gas; ban on refined products derived from Russian crude	Verification remains evidentially difficult and administratively costly
Residual gas and LNG exposure	Some Member States and firms remain exposed to Russian supplies	Makes immediate universal cut-off politically and operationally harder	Diversification plans; phased bans; exemptions only under tight conditions	Regional vulnerability persists, especially in parts of Central and South-Eastern Europe
Market-price volatility	High global prices can offset lower volumes or discounts	Revenue effects can fluctuate independently of legal tightening	Dynamic oil-cap mechanism; diversification policy	External shocks can still improve Russia's rent position unexpectedly

Authorship: prepared by the author on the basis of official EU legal acts, EU institutional materials, IEA market analysis, and CREA monitoring.

Sources:

- Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*. Consilium.
- Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*. Consilium.
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The gas and LNG track has its own specific limitations because it operates under conditions of greater contractual rigidity and greater infrastructure dependence than the oil market. The EU has made very substantial progress in reducing Russian gas dependence, but it has not done so uniformly across all Member States and all subregions. The Commission's diversification materials explicitly state that, even after a very significant reduction in the Russian share of the EU gas mix, remaining Russian gas supplies still pose a risk to European customers and that countries in South-East and Central Europe remain vulnerable to disruptions. This is not merely a geographic footnote. It means that the final phase-out has to be governed in a way that reflects uneven exposure, downstream company structures, and the security implications for retail and industrial users. The existence of a regional Diversification Initiative in 2026 is itself evidence that sanctions in the gas field cannot rely on pure prohibition logic alone. They require supplier matching, planning, and commercial transition support. In that sense, the limitation is not that the EU lacks legal authority to ban Russian gas. It is that the political and economic costs of doing so remain unevenly distributed. That unevenness slows the rate at which the sanctions regime can move from reduction to total elimination.

The 2026 gas regulation confirms this residual vulnerability through its own safeguard design. It requires Member States to submit diversification plans, obliges companies to notify authorities of remaining contracts, introduces prior authorisation for imports, and gives the Commission the power to temporarily suspend the prohibitions in one or more Member States if a formal gas-supply emergency has been declared. It also staggers implementation dates, with short-term pipeline and LNG contracts ending earlier and long-term contracts ending later, while allowing a more extended timetable for specific landlocked-country situations tied to long-term pipeline arrangements. These features do not weaken the measure conceptually, but they do demonstrate that the final phase-out still depends on readiness conditions rather than abstract political will alone. The EU has deliberately chosen a legally credible and operationally managed exit over an immediate universal rupture. That is strategically rational, yet it also reveals a real limitation: the remaining Russian gas connection cannot be severed overnight without regard to storage, infrastructure, and substitution capacity. The sanctions regime therefore remains conditioned by energy-security management even at its most ambitious stage. In practical terms, the stronger the emergency clauses and differentiated deadlines, the clearer it becomes that the gas track is still partly bounded by physical-system realities.

A further limitation lies in the fact that the revenue effect of energy sanctions is mediated by global market conditions that the EU does not control. The legal architecture may be carefully designed, but Russian earnings still depend heavily on global oil prices, freight conditions, inventory cycles, and the broader balance between world supply and demand. This can either amplify or dampen sanctions. The IEA's December 2025 and January 2026 oil-market assessments show how lower benchmark prices, weaker Urals pricing, and export disruptions combined to push Russian monthly export revenues down to around USD 11 billion, the lowest level since the invasion in one assessment and roughly half pre-invasion levels in another. That clearly supports the sanctions logic. However, the same reports also show that global balances, inventories, and geopolitical shifts can move quickly, and that sanctions do not operate in a vacuum. A sharp external supply shock could raise prices and partially offset the revenue-denial effect even if sanctions remain formally unchanged. The Commission's March 2026 monitoring of Middle East disruptions made precisely this point in institutional language: there were no immediate security-of-supply concerns, but a prolonged closure of the Strait of Hormuz or further disruptions would require reassessment. The implication is straightforward. Energy sanctions remain

partly hostage to exogenous market events, which means that their real effect fluctuates with global conditions even when the legal framework stays constant.

This market dependence also affects the outlook for gas and LNG. On the positive side, the IEA expects global LNG supply growth to accelerate in 2026 by about 40 bcm, its strongest increase since 2019, driven mainly by the United States, Canada and Qatar. That should improve the feasibility of Europe's final phase-out from Russian gas. On the other hand, the same body of market analysis indicates that Europe's LNG imports rebounded sharply in 2025, after declining in 2024, because lower piped gas inflows and stronger storage injection needs increased demand for LNG. The IEA further noted that Europe's stronger pull-on flexible LNG cargoes tightened competition with Asian buyers. These findings matter because they show that the success of the gas phase-out depends on a delicate balance. If global LNG supply expands as expected, the EU's final detachment becomes more manageable. If demand in Asia strengthens unexpectedly, weather disrupts production, or geopolitical events impede shipping, market tightness could return and complicate the phase-out schedule. Thus, the near-term effectiveness of gas-related sanctions will depend not only on regulation but also on whether the external LNG market evolves in a way supportive of Europe's diversification timetable.

The near-term outlook for 2026–2027 is therefore cautiously favourable, but only under conditions of disciplined enforcement and continued market preparation. Several factors support the case for greater effectiveness over this period. The legal framework is now denser than before, with the oil-cap mechanism dynamically linked to Urals prices, shadow-fleet restrictions repeatedly expanded, refined-products loopholes partly closed, and the gas phase-out transformed from a roadmap into binding law. The Commission also argues that the EU has sufficient alternative suppliers, a well-interconnected gas market, and adequate import infrastructure to make the remaining phase-out credible. In addition, the end of gas transit via Ukraine was managed without immediate security-of-supply concerns, which has strengthened institutional confidence in further reductions of Russian gas flows. All of this suggests that the next stage of the energy regime is likely to be more operational than declaratory. The central challenge is no longer whether the EU will phase out Russian energy in principle, but whether it can do so while preventing evasion, preserving affordability, and protecting more exposed subregions. In that sense, the outlook is one of conditional strengthening rather than automatic triumph.

Table 3.2.2.4-2. Near-term effectiveness outlook for EU energy sanctions against Russia, 2026–2027

Driver	Direction of effect	Why it matters for 2026–2027	Likely consequence if favourable	Likely consequence if unfavourable
Dynamic oil price-cap reviews	Positive	Keeps the cap aligned with market conditions instead of letting it drift into irrelevance	Sustained downward pressure on export margins	Cap becomes easier to ignore if it lags actual prices
Shadow-fleet enforcement	Decisive	Maritime circumvention is now the main operational battlefield	Higher costs, fewer workarounds, more shipping friction	Export rerouting remains scalable and resilient
Verification of product origin	Positive if improved	Refined-products loopholes depend on traceability and customs capacity	Reduced back-door entry of Russian crude into the EU market	Persistent leakage through third-country processing
Global LNG supply growth	Positive	Supports final gas phase-out and limits market stress	Easier replacement of remaining Russian gas and LNG	Tighter competition for cargoes and higher price sensitivity
Regional diversification in Central and South-Eastern Europe	Decisive	Residual dependence is concentrated, not uniform	More even phase-out capacity across the Union	Continued regional bottlenecks and pressure for exemptions
External geopolitical shocks	Negative risk	Oil and gas markets remain globally sensitive	Limited impact if buffers remain strong	Higher prices can partially restore Russian rent capacity

Driver	Direction of effect	Why it matters for 2026–2027	Likely consequence if favourable	Likely consequence if unfavourable
Administrative and compliance capacity	Positive if strong	Prior authorisation, contract scrutiny and monitoring are enforcement-intensive	Better implementation and faster closure of loopholes	Rules exist on paper but underperform in practice

Authorship: prepared by the author on the basis of official EU legal acts, Commission materials, and IEA market outlooks.

Sources:

- Regulation (EU) 2026/261 of the European Parliament and of the Council of 26 January 2026 on phasing out Russian natural gas imports and preparing the phase-out of Russian oil imports, improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938. (2026). *Official Journal of the European Union*, L 2026/261. EUR-Lex.
- Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*. Consilium.
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The decisive variable in this outlook is enforcement quality. By 2026, the energy regime is already broad enough on paper to exert considerable pressure. What remains uncertain is how effectively authorities and market actors can apply it across complex cross-border chains. The gas regulation's reliance on prior authorisation, documentary scrutiny, and the possibility of requiring upstream delivery information shows that the EU understands this problem. The same is true of the successive vessel listings, reinsurance bans, and sanctions on registries and shadow-fleet enablers. These measures are all responses to one core reality: in energy sanctions, implementation is increasingly more important than headline announcements. The regime's future effectiveness will depend on whether customs, licensing, maritime, and financial supervision systems can work with sufficient speed and evidentiary depth to prevent adaptation from outpacing enforcement. In practical terms, 2026–2027 will test whether the EU can convert a mature sanctions framework into a mature compliance and control framework. If it succeeds, the pressure on Russia's energy revenues should remain cumulative. If it does not, circumvention channels will continue to institutionalise themselves.

The broader assessment, then, is neither maximalist nor dismissive. EU energy sanctions have not eliminated Russian fossil-fuel exports, and they are unlikely to do so fully in the near term. They have, however, changed the economic and strategic conditions under which those exports occur. Russia has lost most of the EU oil market, faces a binding timetable for gas phase-out, confronts a denser web of restrictions on LNG and infrastructure, and relies increasingly on more opaque, riskier, and more costly logistics. The remaining limitations are serious, especially in maritime circumvention, regional gas asymmetries, and origin verification. Yet these are precisely the areas that the most recent legal developments now target. The near-term outlook for 2026–2027 is therefore best described as one of qualified strengthening: the regime is likely to become more effective if the EU continues closing service, vessel, and traceability loopholes and if global market conditions remain broadly supportive. Under those conditions, energy sanctions will continue to function not as a total embargo, but as a progressively tightening system of revenue denial, market exclusion, and strategic separation.

3.2.3. Trade, Industrial, and Technological Restrictions

3.2.3.1. Legal Instruments, Controlled Goods, and Regulatory Architecture

The legal architecture of the EU's trade, industrial, and technological restrictions against Russia is considerably more complex than a conventional embargo model and cannot be reduced to a single list of prohibited exports. It is a layered system that combines classical sanctions law, export-control law, customs control, entity-based restrictions, service bans, contractual obligations, and anti-circumvention duties. At its centre stands Council Regulation (EU) No 833/2014, which gives operational effect within Union law to the corresponding CFSP framework and has been repeatedly amended through successive sanctions packages. Yet the regime also interacts with the broader Union export-control framework, especially Regulation (EU) 2021/821 on dual-use items, which remains the standing legal baseline for sensitive goods and technologies. The Russian sanctions regime therefore does not replace the general export-control system; it overlays and intensifies it for a specific geopolitical target. This overlay function is central to understanding the section as a whole. The trade and technology restrictions were designed not simply to interrupt particular sales, but to deny Russia access to a whole spectrum of goods, software, know-how, and services required for industrial maintenance, technological reproduction, and military upgrading. That is why the regime evolved through annex-based expansion rather than through a single abstract formula. By early 2026, the result was a highly differentiated regulatory structure in which legal technique became almost as important as political intent.

The foundational legal logic of this regime rests on the distinction between general trade policy and targeted restrictive measures. The Commission's own trade-sanctions page makes clear that, after 15 March 2022, the EU stopped treating Russia as a Most-Favoured-Nation under the WTO framework, but chose not to rely primarily on across-the-board tariff escalation. Instead, it built a sanctions structure consisting of bans and restrictions on the import and export of specific goods. This is a legally and strategically important choice. Tariffs would have raised costs while still leaving trade channels broadly available, whereas sanctions law allows for selective, categorical, and security-driven prohibition. In that sense, the EU chose a technique of controlled exclusion rather than a technique of general commercial disadvantage. The distinction matters for this section because it shaped the entire legal grammar of the regime. Goods were not restricted merely because they were Russian or because they were industrial in nature, but because they either generated strategic revenues for the Russian state, enhanced Russia's industrial capacities, or could support military and technological upgrading. The legal system was therefore built around purposive categories rather than around uniform customs treatment. That purposive categorisation gave the EU much greater ability to link trade law with military-security objectives.

The export-control pillar of the regime is organised around a set of Russia-specific rules which, by late 2025, were publicly explained by the Commission through dedicated guidance on Articles 2, 2a and 2b of Regulation 833/2014. This alone indicates how central export restrictions had become within the overall sanctions structure. Article 2 covers dual-use goods and technology where they are or may be intended for military use or for a military end-user. Article 2a adds a broader layer for Russia-specific advanced technology items listed in Annex VII, namely goods and technologies that might contribute to Russia's military and technological enhancement or to the development of its defence and security sector. The scope of this second layer is especially significant because it reaches beyond classical dual-use logic and captures items that may be presented as civilian, yet remain strategically relevant. The legal structure is reinforced by related prohibitions on technical assistance, brokering, financing, and financial assistance connected with the relevant goods. This means that the regime does not focus on the physical shipment alone, but on the full legal and commercial ecosystem that supports transfer. In addition, Annex IV entities supporting Russia's military-industrial complex are subject to tighter export restrictions, including many entities located in third countries. Thus, the regulatory architecture is both goods-based and actor-based at the same time.

The controlled-goods perimeter of this export regime has become remarkably broad. The Commission's dual-use sanctions page lists drones and software for drones, software for encryption devices, software used to manufacture weapons, semiconductors and advanced electronics, drone engines, chemicals and chemical precursors, law-enforcement items, special materials, industrial machinery, camouflage gear, riot-control agents, rare earths, thermostats, thermographic cameras, machine tools, machinery parts, DC motors and servomotors for UAVs, electronic components identified in weapon systems, all-terrain vehicles, microwave and aerial amplifiers, digital flight data recorders, chemical precursors to energetic material, and spare parts and components of high-precision CNC machine tools. This list is analytically important not because every item carries the same weight, but because it shows the operational theory behind the restrictions. The EU is not targeting only finished weapons or obviously military hardware. It is targeting the technological building blocks, production enablers, maintenance inputs, and software layers that permit modern military and industrial systems to function. This is why the controlled-goods logic is so central to the section. Russia's industrial and military systems depend on access to microelectronics, software, machine tools, precision components, and specialised chemicals that can be embedded in broader civilian-industrial supply chains. Restricting those inputs is therefore a way of constraining manufacturing capacity, repair cycles, and technological quality over time rather than only obstructing isolated deliveries.

Second major layer concerns goods that may not fall neatly into the dual-use category but are treated as contributing to Russia's industrial capabilities. This is where the regime moves from defence technology in the narrow sense to industrial degradation in the broader sense. The Consilium overview and the Commission's trade pages show that the EU has progressively banned imports from Russia of steel, iron, pig iron, aluminium and other metals, copper and aluminium wire, tubes and foil, cement, bitumen and asphalt, wood, paper, rubber, plastics, helium, diamonds, gold, and a wide range of other goods that either generate significant revenues for Russia or support its industrial economy. On the export side, the Commission also notes restrictions and bans on luxury cars, machinery components, and a range of industrial goods. The point of this architecture is not simply to reduce Russian trade turnover. It is to deny revenue from selected export sectors while also limiting access to industrial inputs, equipment, and production-related goods. In that respect, the trade restrictions function as an extension of the technology restrictions rather than a separate family of measures. They weaken Russia's industrial reproduction capacity both from the export-revenue side and from the import-dependency side. This dual movement is one of the defining structural features of the EU's legal approach.

The package evolution of these restrictions confirms that the regime was designed as a cumulative annex-based architecture rather than a frozen legal list. The 9th package in December 2022 widened restrictions on exports of dual-use goods and technologies, banned exports of further critical technology and industrial goods, and imposed a ban on investments in the Russian mining sector. The 10th package in February 2023 expanded the entity list associated with Russia's defence and industrial base, added exports bans for aviation and space-related goods including drone engines, and further tightened dual-use restrictions. The 11th package in June 2023 deepened the anti-circumvention dimension, broadened export restrictions on dual-use and industrial-capability goods, and introduced a transit ban via Russian territory for additional goods and technologies. The 12th package in December 2023 added the "no-Russia clause", further restricted exports of dual-use and industrial-capability goods, and banned the provision of software services for enterprise management and industrial design. The 13th package in February 2024 continued this expansion by adding more defence-industrial entities and imposing further restrictions on dual-use items, drone components, and industrial-capability goods including electrical transformers. What emerges from this sequence is not a set of disconnected amendments, but a deliberate expansion from direct export control to re-export control, service control, software control, and transit control.

A particularly important turning point came with the 14th package in June 2024 because it significantly thickened the regulatory architecture around circumvention. The Commission described three trade-relevant innovations in especially clear terms. First, it introduced a "best efforts" obligation concerning

foreign subsidiaries, requiring EU companies to undertake their best efforts to ensure that subsidiaries in third countries do not participate in activities undermining EU sanctions. Secondly, it created a “No Russia” clause for intellectual-property-rights transfers, intended to ensure that industrial know-how transferred outside the Union is not used to manufacture Common High Priority goods intended for Russia. Thirdly, it introduced due-diligence requirements for Common High Priority goods themselves. These measures reveal a major legal shift. The EU moved beyond regulating transactions by EU operators alone and began to regulate the governance of risk in corporate groups, contract drafting, and intangible knowledge transfer. That is a much more sophisticated architecture than a simple export ban. It recognises that in modern industrial trade, sanction evasion often occurs not through a direct breach at the border, but through controlled subsidiaries, external licensing, technical know-how relocation, and intermediated re-export. The 14th package therefore transformed anti-circumvention from a supplementary concern into a constitutive feature of the trade and technology regime.

The legal tools introduced in and after 2024 became even more operationally detailed in the treatment of Common High Priority items. The finance portal explains that the list of Common High Priority items, coordinated with the United States, the United Kingdom and Japan, consists of prohibited dual-use goods and advanced-technology items used in Russian military systems found on the battlefield in Ukraine or critical to the development, production, or use of those systems. The “no re-export to Russia” clause under Article 12g made contractual non-re-export commitments mandatory for certain categories of sensitive goods, including aviation goods, jet fuel, firearms, and Common High Priority items listed in Annex XL. The corresponding FAQs stress that exporters should not sell to non-EU operators unwilling to include such a clause, that contracts concluded after 19 December 2023 had to contain it from March 2024 onward, and that partner countries listed in Annex VIII are carved out from that obligation. Article 12gb then added an enhanced due-diligence obligation for operators manufacturing and/or trading in Common High Priority items, and in 2025 this was expanded to cover not only CHP items but also goods listed in Annex XLVIII. This is a notable development because it shifts part of the regulatory burden from public enforcement to ex ante corporate diligence. The architecture now expects operators to identify diversion risks, review partners, police downstream contractual chains, and manage subsidiaries as sanction-risk vectors. In trade-law terms, the regime has therefore evolved from prohibition to governed vigilance.

The 2025 packages continued this transition from a predominantly goods-list logic to a combined goods-and-networks logic. The 16th package in February 2025 imposed targeted export restrictions on 53 new companies supporting Russia’s military-industrial complex or engaged in sanctions circumvention, including 34 companies in countries other than Russia. It also extended dual-use export restrictions to chemical precursors used to produce chloropicrin and other riot-control agents, software related to CNC machine tools used to manufacture weapons, video-game controllers used by the Russian army to pilot drones, chromium ores and compounds, and additional industrial goods with military significance. The same package clarified and tightened derogations and exemptions for certain dual-use and advanced-tech exports in order to support customs and licensing agencies. The 17th package in May 2025 added 31 more entities to the list subject to tighter export restrictions for their support to Russia’s military-industrial complex. The 18th package then introduced a dedicated catch-all provision to support Member States in stopping and investigating suspicious shipments of advanced-technology items, while also expanding the transit ban by adding further CN codes from the list of economically critical goods. Finally, the 19th package added 45 new entities directly supporting Russia’s military-industrial complex by enabling the circumvention of export restrictions on CNC machine tools, microelectronics, UAVs, and other advanced technology items. This sequence shows that the later evolution of the regime has focused increasingly on third-country nodes, suspicious shipment patterns, and the physical-commercial chains through which restricted goods move.

Table 3.2.3.1-1. Core legal architecture of the EU's trade, industrial, and technological restrictions against Russia

Layer of regulation	Main legal instrument(s)	Core object of control	Practical function
CFSP framework	Council Decision 2014/512/CFSP and subsequent amending Decisions	Political and legal basis for sectoral restrictive measures	Establishes the sanctions logic and the categories to be implemented in Union law
Union implementation layer	Council Regulation (EU) No 833/2014 and successive amending Regulations	Binding trade, technology, service, transit, and entity restrictions	Gives direct legal effect across the EU internal market and customs space
General export-control layer	Regulation (EU) 2021/821 on dual-use items	Annex I dual-use items and export-authorisation framework	Provides the standing export-control baseline onto which Russia-specific sanctions are added
Russia-specific advanced-technology layer	Articles 2, 2a and 2b of Regulation 833/2014; Annex VII; Annex IV entities	Dual-use items, advanced technologies, and listed defence-industrial entities	Restricts goods with military or technological relevance even where formally civilian
Industrial-capabilities layer	Annex XXIII and related trade lists; successive package amendments	Goods enhancing Russia's industrial capacities and revenue-generating imports	Targets industrial reproduction, materials supply, and selected trade revenues
Anti-circumvention layer	Transit bans, Article 8a "best efforts", Article 12g "no-Russia clause", Article 12gb enhanced due diligence, catch-all tools	Subsidiaries, re-export chains, know-how transfers, suspicious shipments	Moves the regime from static prohibition to dynamic control of diversion risk

Authorship: prepared by the author on the basis of official EU legal acts, Commission guidance, and Council materials.

A final institutional feature of the regulatory architecture is the degree to which it depends on guidance, coordination, and administrative interpretation rather than on legislative text alone. The Commission maintains a substantial sanctions-guidance infrastructure through FAQs, correlation tables for Annex VII goods, dedicated notices on the "best efforts" obligation, export-related restrictions, due diligence for CHP items, and broader circumvention guidance for operators. The same policy area is also linked to G7 coordination and to the public dissemination of red flags for industry. The *policy.trade* portal explicitly links the Russia sanctions regime with the modernised EU export-control system under Regulation 2021/821, the 2024 White Paper on export controls, and the common High Priority Battlefield Items list. The Commission has also developed a sanctions helpdesk for SMEs and keeps emphasising the role of national competent authorities, customs agencies, and licensing authorities in applying derogations and exemptions. This means that the legal regime is best understood as a regulatory ecosystem rather than a closed legal code. Annexes, package texts, national authorisations, operator diligence, customs risk analysis, and third-country coordination all interact in practice. For analytical purposes, this matters because the sophistication of the architecture is itself one of the sanctions' core features. The trade, industrial, and technological restrictions have become a system of managed denial aimed not only at stopping shipments, but at degrading Russia's access to the industrial and technological conditions of modern war-making.

Table 3.2.3.1-2. Main groups of controlled goods and related regulatory tools

Controlled area	Typical goods / items mentioned in official EU materials	Main regulatory tool	Key packages / developments
Dual-use and advanced battlefield technology	Semiconductors, advanced electronics, drone engines, software for drones, machine tools, servomotors, thermographic cameras,	Export bans and restrictions under Articles 2 and 2a; related technical-assistance,	Progressive tightening from 2022 onward; 13th, 16th, 18th, and 19th packages especially relevant

Controlled area	Typical goods / items mentioned in official EU materials	Main regulatory tool	Key packages / developments
	microwave amplifiers, electronic components found in weapon systems	brokering, and financing prohibitions	
Defence-industrial entities	Listed Russian and third-country entities supporting Russia's military-industrial complex	Tighter export restrictions for Annex IV-type entities	13th, 16th, 17th, and 19th packages expanded this layer
Industrial-capability goods	Electrical transformers, machinery components, minerals, chemicals, steel, glass materials, fireworks, chromium ores and compounds	Export restrictions on goods enhancing industrial capacities; annex-based controls	Repeatedly expanded through 2023–2025 packages
Revenue-generating industrial imports from Russia	Steel, iron, pig iron, aluminium, copper and aluminium wire, tubes and foil, helium, diamonds, gold, rubber, plastics, wood, paper	Import bans and restrictions	Widened through successive packages, including 12th and 16th
Software, know-how, and industrial design	Enterprise-management software, industrial-design software, industrial know-how linked to CHP goods	Service bans; “No Russia” clause for IPR / know-how transfers	12th package for software services; 14th package for IPR transfer clause
Diversion-sensitive trade chains	CHP items in Annex XL, goods in Annex XLVIII, shipments via Russia, third-country re-export chains	Article 12g non-re-export clause, Article 12gb enhanced due diligence, transit bans, catch-all provision	12th, 14th, 16th, and 18th packages

Authorship: prepared by the author on the basis of official EU legal acts, Commission guidance, and Council materials.

Taken together, the legal instruments, controlled goods, and regulatory architecture of this sanctions block show a clear movement from ordinary trade restriction towards a dense system of strategic export control and industrial attrition. The regime starts from a strong legal base in CFSP and Article 215 TFEU implementation, but it draws much of its practical strength from annex engineering, category expansion, and corporate-risk regulation. Dual-use control is only one pillar within that broader system. Equally important are the Russia-specific advanced-technology bans, the restrictions on goods enhancing industrial capabilities, the import prohibitions on selected industrial materials and revenue-generating goods, and the anti-circumvention duties imposed on exporters, parent companies, and traders. The later development of contractual non-re-export clauses, enhanced due diligence, and best-efforts obligations shows how far the regime has moved beyond classical customs prohibition. In practical terms, the EU has built a sanctions architecture that seeks to control goods, entities, knowledge, contracts, and logistics simultaneously. That is precisely why this part of the sanctions' regime deserves to be treated as a distinct legal subsystem rather than as a mere trade annex to financial sanctions. Its real object is the technological and industrial reproduction capacity of the Russian state and the networks that sustain it.

3.2.3.2. Objectives and Strategic Logic

The objectives of the EU's trade, industrial, and technological restrictions against Russia cannot be captured adequately by the phrase “reducing trade”. The official formulation used by the Commission is much more precise: after the full-scale invasion, the Union adopted unprecedented measures aimed at weakening Russia's economic base, depriving it of critical technologies and markets, and significantly curtailing its ability to wage war. That formulation is analytically important because it identifies three intertwined goals rather than one. The first is to deny Russia access to goods and technologies necessary for the functioning of the military-industrial complex. The second is to reduce the revenue streams and market opportunities that help sustain the broader war economy. The third is to degrade the industrial, technological, and organisational conditions under which Russia can reproduce military power over

time. In other words, the strategic logic is not merely punitive or symbolic. It is attritional, capability-oriented, and temporally extended. The restrictions seek to reshape the quality of Russia's industrial reproduction, not simply the volume of its cross-border trade.

A central strategic objective is to sever or weaken Russia's access to what might be called the enabling technologies of modern warfare. The Commission's sanctions page on dual-use goods states that the EU has sharpened and extended export controls in order to target sensitive sectors in Russia's military-industrial complex and limit Russia's access to crucial advanced technology. It further notes that the sanctions hit Russia's access to important technologies beyond dual-use goods and technologies and downgrade its technological capabilities over time. This wording is especially revealing because it points beyond simple denial of current supply. The deeper objective is technological downgrading. Russia is not to be prevented only from purchasing a given batch of electronics or specialised components; it is to be forced into a less capable technological trajectory overall. That is why the controlled-goods lists focus so heavily on semiconductors, electronics, drone-related items, machine tools, software, chemical precursors, and specialised components detected in Russian weapons systems. The strategy assumes that the loss or degradation of these inputs eventually affects weapons quality, production speed, repair cycles, and the reliability of industrial output. In strategic terms, this is a capability-ceiling approach: the sanctions attempt to limit how advanced, precise, scalable, and repairable Russia's war-supporting industry can remain.

This capability-denial logic is broader than classical dual-use control as it existed before 2022. Under the Russia regime, the EU did not restrict only items already codified as dual-use in the general export-control system. It also built a Russia-specific advanced-technology layer under Regulation 833/2014, while preserving the relevance of the Union dual-use framework under Regulation 2021/821. Commission guidance explains that the sanctions regulation and the dual-use regulation apply in parallel, and that exporters must comply with both. It also stresses that advanced-technology items listed in Annex VII are governed by authorisation procedures modelled on the dual-use regime, while the catch-all rule under the dual-use regulation still applies where relevant. This reveals a deliberate strategic choice. The Union did not rely on the inherited boundaries of export-control orthodoxy alone. It created a widened prohibition zone tailored to the structure of the Russian war economy. The objective was to make the regulatory net both deeper and more adaptive than peacetime export controls would have allowed. In strategic terms, the sanctions regime thus functions as a war-economy override of normal export-governance logic.

A second major objective is to attack Russia's industrial base not only at the level of cutting-edge technologies, but also at the level of production continuity, maintenance capacity, and industrial endurance. This is where the logic of industrial-capabilities goods becomes crucial. Official package materials repeatedly show that the EU has expanded export restrictions on machinery components, spare parts for high-precision CNC machine tools, industrial minerals, specialised chemicals, electrical transformers, glass materials, chromium compounds, and other goods with military or industrial relevance. The 17th package explicitly explained that some of the newly restricted CNC spare parts are essential for Russia to maintain the industrial base serving its military system. That formulation points to a strategic goal that is subtler than a headline ban on weapons production. The objective is to interfere with maintenance cycles, replacement cycles, calibration capacity, and the long-run operability of industrial machinery. In other words, the sanctions do not only seek to stop new output. They also seek to make the continued functioning of Russia's military-supporting industrial plant more difficult, more expensive, and less reliable. This creates a form of slow industrial attrition that may matter more over time than short-term trade disruptions alone.

A third objective is to reduce Russia's access to global and European markets in a selective manner that is directly relevant to war sustainability. The Commission's trade page makes clear that the EU chose not to rely primarily on higher tariffs after suspending Russia's Most-Favoured-Nation treatment in March 2022. Instead, it imposed bans and restrictions on imports and exports of specific goods. This was not simply a legal-technical preference. It reflected a strategic logic of selectivity. Tariffs would have

preserved broad tradability, whereas sanctions law allowed the EU to exclude goods that either generated significant revenue for the Russian economy or contributed materially to industrial and military capacity. The Commission's 2024 restrictive-measures factsheet stated that 61% of pre-war EU imports from Russia and 58% of pre-war EU exports to Russia, both measured in 2021 terms, had already been placed under EU restrictive measures. By the fourth quarter of 2025, Eurostat reported that the sanctions had contributed to a 61% decline in exports to Russia and a 90% drop in imports from Russia compared with the first quarter of 2022. These figures illustrate the strategic choice clearly. The EU did not aim at abstract commercial friction. It aimed at structured disconnection from those trade flows most relevant to Russia's war economy and industrial reproduction.

Table 3.2.3.2-1. Strategic objectives of the EU's trade, industrial, and technological restrictions against Russia

Strategic objective	Principal legal / regulatory instruments	Operational logic	Intended effect on Russia
Deny battlefield-relevant technology	Articles 2, 2a and 2b of Regulation 833/2014; Annex I dual-use controls; Annex VII advanced technologies	Restrict semiconductors, electronics, UAV-related goods, software, chemicals, and other advanced inputs	Lower weapons quality, production capability, and technological sophistication
Degrade industrial reproduction	Industrial-goods export bans; CNC parts restrictions; machinery- and transformer-related controls	Interfere with maintenance, calibration, replacement, and production continuity	Raise wear, downtime, costs, and quality degradation across war-supporting industry
Reduce war-economy revenues and market access	Import and export bans on selected goods; revenue-generating import restrictions	Remove high-value and strategically relevant trade channels rather than merely make them more expensive	Shrink trade-based resources available to sustain war production and macroeconomic adaptation
Block diversion through third countries	Transit bans, entity listings, Article 12g "no re-export to Russia", Article 12gb due diligence	Prevent sanctioned goods from re-entering Russia through non-EU markets and intermediaries	Narrow the re-export space and raise the cost of circumvention
Control intangible and corporate leakage	Article 8a "best efforts", IPR-related "No Russia" clause, software and service restrictions	Extend sanctions discipline to subsidiaries, contracts, know-how transfers, and corporate governance	Reduce indirect technology transfer and offshored evasion pathways
Align sanctions with allied enforcement	Common High Priority items, G7 coordination, partner-country carve-outs	Harmonise vigilance around the most sensitive battlefield items	Increase international coherence and make diversion networks easier to identify

Authorship: prepared by the author on the basis of official EU legal acts, Commission guidance, Council materials, and Eurostat trade data.

Sources:

- European Commission. (n.d.). *Sanctions on dual-use goods*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, December 17). *Export-related restrictions for dual-use goods and advanced technologies: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*. Finance.
- European Commission. (n.d.). *Import and export bans*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2024, June 24). *EU adopts 14th package of sanctions against Russia for its continued illegal war against Ukraine, strengthening enforcement and anti-circumvention measures*.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, February 24). *EU adopts 16th package of sanctions against Russia*. Finance.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, July 18). *EU adopts 18th package of sanctions against Russia*. Finance.

- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, October 23). *EU adopts 19th package of sanctions against Russia*. Finance.
- Council of the European Union. (n.d.). *Timeline: Packages of sanctions against Russia since February 2022*. Consilium.
- Eurostat. (2026). *EU trade with Russia — latest developments*. Statistics Explained.

A fourth objective is to force Russia into a pattern of technological substitution that is economically and strategically inferior. The regime is designed on the assumption that Russia will not simply stop producing because imports become unavailable. Rather, it will try to substitute, cannibalise, reroute, stockpile, repurpose civilian inputs, or rely on lower-quality external suppliers. The strategic logic of the EU measures is therefore not based on a naïve expectation of total paralysis. It is based on the expectation of adverse substitution. By restricting access to high-end inputs, precision components, specialised software, and critical industrial parts, the sanctions seek to change the terms of substitution in ways that reduce quality, increase latency, and elevate cost. The Commission’s battlefield-technology framing and the repeated addition of newly identified items used in Russian weapons systems make this objective explicit. So too does the focus on parts and components, not just on finished equipment. The strategy aims to ensure that whatever substitutes Russia can still obtain are likely to be more expensive, less reliable, harder to integrate, or slower to acquire. That kind of forced substitution is a central mechanism of long-duration industrial weakening.

A fifth objective is to transform sanctions from a border-control exercise into a system of anti-circumvention governance. This shift became unmistakable from the 12th package onward and was then deepened in the 14th, 16th, 18th and 19th packages. The official explanation of Article 12g states that the “no re-export to Russia” clause aims to combat the circumvention of EU export bans, specifically where goods exported to third countries are re-exported to Russia. The guidance further requires exporters to include such clauses in contracts for certain categories of sensitive goods and to notify national competent authorities when they become aware of breaches or circumvention. Article 12gb then introduced enhanced due-diligence duties for operators manufacturing and/or trading in Common High Priority items, with the stated purpose of responding to the problem of the re-exportation of those items. The 14th package added the “best efforts” obligation for foreign subsidiaries and an IPR-focused “No Russia” clause to prevent industrial know-how transferred outside the Union from being used to manufacture Common High Priority goods for Russia. The strategic logic is clear: the EU no longer treats circumvention as an external accident. It treats it as a core battlefield, one that must be governed through contracts, compliance systems, corporate controls, and know-how discipline.

A sixth objective is to mobilise private operators as part of the sanctions architecture rather than treating enforcement as a purely state-administered matter. This is one of the most significant strategic innovations in the trade and technology sphere. Commission guidance on the “best efforts” obligation defines the concept as requiring suitable and necessary actions to prevent the undermining of restrictive measures, including appropriate policies, controls and procedures to mitigate and manage risk effectively. The guidance on the “no re-export” clause likewise insists that exporters should not sell sensitive goods to non-EU operators unwilling to incorporate such clauses and adequate remedies. In addition, enhanced due-diligence obligations require manufacturers and traders in Common High Priority items to respond proactively to diversion risks. The strategic aim here is not merely legal compliance in the narrow sense. It is the creation of a distributed enforcement environment in which companies are expected to become active filters against diversion, rather than passive sellers awaiting public enforcement. This enlarges the operational reach of the regime dramatically. It also means that sanctions policy has become partly a matter of corporate governance, compliance design, and contractual architecture. From a strategic perspective, that greatly increases the number of points at which Russian procurement efforts may be disrupted.

A seventh objective is to target not just Russian firms, but the transnational nodes that sustain Russia’s procurement and industrial survival. The later packages show a clear move towards network disruption.

The 16th package added 53 companies supporting Russia’s military-industrial complex or involved in circumvention, including 34 in countries other than Russia. The 17th package added 31 more companies, of which 13 were established in third countries, and stressed that the package would make it significantly more challenging for Russia to source sensitive resources. The 19th package added 45 entities directly supporting Russia’s military-industrial complex or engaged in circumvention, including 17 in third countries across China, Hong Kong, India and Thailand. These numbers are not merely descriptive. They reveal a strategic understanding that Russia’s war-supporting industry survives through external procurement ecosystems, not only through domestic production. Targeting those ecosystems is therefore essential if the trade and technology regime is to do more than inconvenience direct exporters in the EU. The logic is one of network attrition rather than simple bilateral trade interruption.

Table 3.2.3.2-2. Strategic logic of escalation in the EU’s trade–industrial–technology sanctions, 2022–2025

Phase	Predominant strategic concern	Illustrative measures	Strategic logic
2022 initial expansion	Immediate denial of dual-use goods, aviation goods, and advanced technology	Extension of dual-use and advanced-technology export controls; service and assistance prohibitions	Prevent rapid access to critical war-supporting imports
2023 widening phase	Broader industrial attrition and first large anti-circumvention turn	Additional industrial-goods bans; transit restrictions; first mandatory “no re-export to Russia” clause	Shift from direct export denial to re-export and logistics control
2024 governance turn	Corporate, contractual, and know-how leakage control	“Best efforts” obligation, IPR-related “No Russia” clause, due diligence for CHP goods	Treat circumvention as a governance problem inside supply chains and subsidiaries
Early 2025 battlefield refinement	Restrict newly identified items used in Russian weapons production and use	CNC-related software and parts, chemical precursors, additional industrial goods, third-country entity listings	Adapt controls to observed battlefield and procurement patterns
Mid–late 2025 network disruption	Further weaken the military-industrial complex and its external enablers	New catch-all tools, expanded entity listings in third countries, additional sensitive goods and materials	Attack the transnational procurement network, not just the Russia-facing transaction

Authorship: prepared by the author on the basis of official EU package summaries, Commission guidance, and Council timelines.

Sources:

- Council of the European Union. (n.d.). *Timeline: Packages of sanctions against Russia since February 2022*. Consilium.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2024, June 24). *EU adopts 14th package of sanctions against Russia for its continued illegal war against Ukraine, strengthening enforcement and anti-circumvention measures*.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, February 24). *EU adopts 16th package of sanctions against Russia*. Finance.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, July 18). *EU adopts 18th package of sanctions against Russia*. Finance.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, October 23). *EU adopts 19th package of sanctions against Russia*. Finance.

An eighth objective is to align EU sanctions with allied export-control and enforcement priorities, especially around battlefield-relevant goods. The Common High Priority items regime is central here. The Commission describes that list as consisting of prohibited dual-use goods and advanced-technology items used in Russian military systems found on the battlefield in Ukraine or critical to the development, production, or use of those systems. The 17th package further stated that the EU had

agreed with like-minded partners on a list of common high-priority sanctioned goods to which businesses should apply particular due diligence and which third countries must not re-export to Russia. This coordinated approach serves several strategic purposes. It narrows the most sensitive portion of the control universe. It facilitates information-sharing and enforcement focus. It also reduces the risk that Russia can exploit differences between allied regimes to source critical items through the weakest channel. In strategic terms, this is an effort to turn export controls from a fragmented national practice into a coordinated denial architecture centred on the most militarily significant nodes.

A ninth objective is to make the trade and technology regime sustainable by keeping it selective rather than indiscriminately comprehensive. This may seem paradoxical, but it is central to the strategy. The Commission's trade page expressly contrasts sanctions with a blanket tariff escalation approach. The legal architecture then narrows the focus to goods, technologies, entities and services that are either revenue-relevant, militarily sensitive, industrially enabling, or circumvention-prone. It also retains exemptions, derogations, partner-country carve-outs, and case-by-case authorisation mechanisms in narrowly defined circumstances. That selectivity is not a retreat from pressure. It is what allows the regime to remain politically defensible, legally administrable, and operationally targeted. The strategic goal is not to stop all commerce with Russia under any conditions. It is to deny those flows that matter most for war-making while minimising unnecessary legal overbreadth and allowing competent authorities to police risk more credibly. In this sense, precision is not merely a legal virtue. It is a strategic resource that helps preserve the regime's legitimacy and durability.

The strategic logic of the EU's trade, industrial, and technological restrictions can therefore be summarised as a model of controlled industrial attrition. The regime seeks to curtail access to critical technology, degrade the maintenance and reproduction of war-supporting industry, reduce strategically relevant market access, force inferior substitution, suppress third-country diversion, and convert private operators into active participants in enforcement. Its later evolution shows that the EU no longer conceives this sanctions' block as a narrow export-control appendix. It treats it as a broad architecture for degrading the Russian war economy's industrial metabolism. That architecture works through goods lists, entity lists, transit restrictions, services bans, subsidiary obligations, contractual clauses, and enhanced due diligence. The resulting strategy is cumulative rather than singular. Russia is to be pressured not only at the point of purchase, but at the points of design, licensing, software support, logistics, corporate control, and downstream resale. Properly understood, the objective is not to freeze Russia in place. It is to make its future industrial and technological adaptation more costly, slower, less precise, and less scalable.

3.2.3.3. Advantages and Structural Effects

One of the central advantages of the EU's trade, industrial, and technological sanctions against Russia is their unusually high degree of strategic asymmetry. Unlike broad embargoes that attempt to suffocate a whole economy indiscriminately, this regime is built around a more targeted logic: it focuses on those goods, technologies, services, and entities that are disproportionately important for military production, industrial endurance, and technological reproduction. The Council expressly states that the list of banned products was designed to maximise the negative impact on the Russian economy while limiting consequences for EU businesses and citizens. It also notes that the restrictions exclude products primarily intended for consumption and goods related to health, pharmaceuticals, food, and agriculture. That selectivity is a real operational advantage, because it makes the regime easier to sustain politically and administratively over time. It reduces humanitarian overbreadth, lowers unnecessary friction for the Union's own economy, and concentrates enforcement resources on high-value targets. In sanctions design, such precision matters because the most durable regimes are usually those that are both forceful and governable. The trade-industrial-technology block fits that pattern unusually well. It is aimed not at commerce as such, but at the technological and industrial underpinnings of Russian war-making.

A second major advantage is that these measures target bottlenecks rather than aggregate trade volume alone. The Commission's dual-use page lists semiconductors, advanced electronics, drone engines, software for encryption devices and weapons manufacture, thermographic cameras, machine tools, servomotors for UAVs, electronic components identified in weapon systems, digital flight data recorders, chemical precursors, and spare parts for high-precision CNC machine tools among the restricted categories. This reveals the regime's real strength. It is not built primarily around bulk value, but around functional indispensability. A small number of highly specialised items can determine whether a missile guidance unit is assembled correctly, whether a drone's flight-control system is reliable, whether a production line can be recalibrated, or whether a machine tool remains operational. That kind of leverage is more valuable than a crude focus on trade totals. The sanctions therefore exploit a structural vulnerability of advanced military industry: complex systems depend on narrow chokepoints of know-how, components, software, and precision equipment. By targeting those chokepoints, the EU increases the probability of cascading technical inefficiencies even when Russia continues trading in other categories. The advantage is thus not only economic but also systemic.

A third advantage is cumulative scale. According to the Council, since February 2022 the EU has banned over €48 billion in goods and technologies that would otherwise have been exported to Russia and €91.2 billion in goods that would otherwise have been imported from Russia. In comparison with 2021 trade volumes, this corresponds to 54% of exports and 58% of imports being embargoed. These figures indicate a very substantial excision of the pre-war trade relationship. They also demonstrate that the regime is not confined to a symbolic list of niche items. It removes a large share of the tradable space through which Russia previously accessed European industrial goods and Europe previously purchased Russian materials and revenue-generating commodities. From the standpoint of strategic effect, this matters because broad trade contraction and narrow chokepoint control reinforce one another. The first reduces scale, the second raises the technical cost of adaptation. Together they create a much denser pressure environment than either instrument would create on its own. In that sense, one of the regime's great advantages is that it combines macro-level commercial contraction with micro-level technological denial.

That cumulative contraction is visible in the structural transformation of EU–Russia trade itself. Eurostat reports that between the first quarter of 2022 and the fourth quarter of 2025, EU exports to Russia fell by 61%, while imports from Russia fell by 90%. Over the same period, Russia's share in extra-EU exports declined from 3.2% to 1.2%, and its share in extra-EU imports fell from 9.2% to 1.0%. These are not marginal adjustments. They indicate a deep rewiring of the Union's trade relationship with Russia. For the sanctions regime, this is a major structural effect because it reduces the commercial density through which Russia can access European goods, services, logistics, and industrial partnerships. It also means that the Russia-facing trade channel has become much smaller in systemic terms for the Union itself. That reduction in mutual embeddedness is strategically valuable, because it lowers the risk that future tightening will be vetoed by entrenched trade dependence. In practical terms, the regime has already achieved one of the key objectives of long-duration sanctions: it has made the old trade structure both narrower and less politically recoverable.

A fourth advantage lies in the time profile of these sanctions. Their effects are not limited to the immediate denial of a single shipment; they work through accumulation, maintenance friction, and delayed industrial degradation. This is particularly evident in the EU's treatment of CNC-related software, spare parts, and industrial goods with military significance. The 16th package extended restrictions to software related to CNC machine tools used to manufacture weapons, while the 17th package added spare parts and components of high-precision CNC machine tools and explicitly stated that such parts are essential for Russia to maintain its industrial base serving the military system. That formulation is revealing. It shows that the EU is not merely trying to stop the purchase of new machinery. It is trying to increase wear, downtime, repair difficulty, and obsolescence inside existing production systems. This gives the sanctions a delayed but powerful structural logic. The relevant advantage is that maintenance denial can be harder to substitute than headline procurement, especially under wartime

pressure. As a result, the regime exerts pressure not only on acquisition but on industrial continuity itself.

A fifth advantage is the progressive transformation of sanctions from bilateral trade restrictions into a network-disruption regime. The later packages increasingly targeted third-country companies and facilitators involved in Russia's procurement system. The 16th package imposed targeted export restrictions on 53 new companies supporting Russia's military-industrial complex or engaged in circumvention, including 34 in countries other than Russia. The 17th package added 31 more such companies, including 13 in third countries. The 19th package then added 45 entities to the relevant list, including 17 in third countries, most of them in China, India, and Thailand. This matters because modern military-industrial procurement rarely depends on simple bilateral flows. It depends on layered intermediaries, re-exporters, logistics brokers, and corporate shells. By extending the regime towards these external nodes, the EU has increased its chances of affecting the real procurement ecosystem rather than merely the direct EU–Russia transaction. The structural effect is clear: sanctions are pushing enforcement outward, from the border to the network. That is one of the regime's most important advances over time.

A sixth advantage is the conversion of private operators into active instruments of enforcement. The introduction of the “no re-export to Russia” clause, the “best efforts” obligation, and enhanced due-diligence expectations for Common High Priority items represents a significant shift in regulatory technique. Instead of relying only on customs detection and public enforcement after the fact, the EU now obliges exporters and corporate groups to structure contracts, counterparties, subsidiaries, and internal controls in ways that reduce diversion risk in advance. That shift has at least three structural effects. First, it multiplies the number of points at which prohibited goods may be intercepted or denied. Secondly, it raises compliance costs for risky counterparties and intermediary traders. Thirdly, it makes sanctions more resilient against simple document-based evasion, because the regime now tries to govern behaviour inside the supply chain rather than only at its external border. This is a major institutional advantage. It means that the trade and technology block is no longer just a sanctions list. It is becoming a compliance architecture embedded in corporate governance and contractual practice.

Table 3.2.3.3-1. Main advantages of the EU's trade, industrial, and technological sanctions against Russia

Advantage	Operational content	Why it matters strategically	Main structural implication
Precision targeting	Focus on military-relevant technologies, industrial chokepoints, and sensitive entities rather than undifferentiated commerce	Maximises pressure on war-supporting capacities while limiting unnecessary collateral effects	Greater political sustainability and more efficient enforcement
Chokepoint leverage	Restrictions on semiconductors, CNC software and parts, drone-related components, specialised chemicals, and battlefield electronics	Small volumes can have disproportionate effects on weapons production and industrial maintenance	Pressure is applied to functionality, not only to trade value
Cumulative coverage	Over €48 billion of exports to Russia and €91.2 billion of imports from Russia banned; 54% of exports and 58% of imports embargoed versus 2021 volumes	Combines narrow technological denial with broad commercial contraction	Makes adaptation more expensive across multiple layers of the economy
Network disruption	Growing use of third-country entity listings and anti-circumvention tools	Addresses the real procurement ecosystem rather than only direct EU–Russia trade	Externalises enforcement into transnational supply chains
Compliance internalisation	“No re-export to Russia” clause, “best efforts” obligations, due-diligence requirements	Turns private firms into active filters against diversion	Expands the operational reach of sanctions beyond public border control

Advantage	Operational content	Why it matters strategically	Main structural implication
Time-lag attrition	Restrictions on maintenance-relevant goods, spare parts, software, and industrial inputs	Degrades continuity, calibration, repair, and replacement capacity over time	Produces slow industrial erosion rather than merely one-off disruption

Authorship: prepared by the author on the basis of official EU legal and policy materials.

Sources:

- Council of the European Union. (n.d.). *EU sanctions against Russia: Questions and answers*. Consilium.
- European Commission. (n.d.). *Sanctions on dual-use goods*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (n.d.). *Sanctions adopted following Russia's military aggression against Ukraine*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2024, December 18). *"No re-export to Russia" clause*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (n.d.). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, February 24). *EU adopts 16th package of sanctions against Russia*. European Commission.
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- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, July 18). *EU adopts 18th package of sanctions against Russia*. European Commission.
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- Eurostat. (2026). *EU trade with Russia — latest developments*. Statistics Explained.
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- Main Intelligence Directorate of the Ministry of Defence of Ukraine. (2026, March 18). *Instruments of war in the weapon of the aggressor*. War & Sanctions.
- Main Intelligence Directorate of the Ministry of Defence of Ukraine. (2026, March 23). *Foreign components in weapons*. War & Sanctions.

A seventh structural effect is that the regime has made Russia's technological dependence more visible, not less. The official Ukrainian GUR portal on foreign components in Russian weapons lists 5,626 foreign-produced components across 195 weapon units as of 23 March 2026. A related GUR database on "instruments of war" lists 1,507 foreign machines used across 192 factories involved in producing weapons and military equipment as of 18 March 2026. These numbers should be interpreted carefully. They do not prove that sanctions have failed. On the contrary, they show that Russian weapons production still depends on external technological inputs and industrial equipment, which means that export controls remain strategically relevant. The persistence of foreign components and machinery indicates that Russia has not achieved autarky in the sectors that matter most for advanced war production. It also identifies the very reason why trade and technology sanctions remain one of the most rational policy instruments available: the Russian military-industrial base continues to rely on foreign chokepoints that can, at least in principle, be mapped, targeted, and squeezed. This is therefore a structural effect in the sense of revealed dependency.

An eighth structural effect is the increased strain on Russian military-industrial modernisation. A 2025 KSE Institute assessment concludes that the Russian military-industrial complex has expanded during the war but remains under significant pressure from soaring funding costs, labour shortages, collapsing arms exports, and sanctions, and that it fails to achieve technological modernisation. That is an

important finding because it captures the mixed but strategically meaningful nature of the sanctions effect. The regime has not prevented wartime expansion in absolute terms. However, it appears to have contributed to a pattern in which expansion is financially costly, technologically constrained, and difficult to modernise in a coherent way. This distinction is critical for analytical accuracy. A sanctions regime aimed at industrial degradation should not be judged only by whether factories continue to operate. It should also be judged by whether production becomes less efficient, less modern, less export-capable, and more dependent on emergency adaptation. On that reading, the trade–industrial–technology restrictions have generated pressure that is structural even without producing total industrial collapse.

A ninth structural effect is the geographic concentration of Russia’s adaptation pathways. The same KSE assessment notes that China plays a pivotal role in supporting the Russian military-industrial complex, especially where Russia’s domestic capabilities are lacking, and serves as a key hub for the evasion of export controls, including through the transshipment of Western components to Russia. This finding should not be read as evidence that sanctions are futile. It is better understood as evidence of constrained adaptation. When a sanctioned economy is pushed away from diversified access to advanced suppliers and towards narrower external channels, it often becomes more dependent on a smaller number of intermediary states, corporate networks, and politically tolerant jurisdictions. That concentration can itself be strategically valuable for sanctions policy, because it makes procurement geographies more legible and more exposed to secondary pressure, coordinated diplomacy, and enhanced due diligence. In other words, even imperfect rerouting may come at the price of a more fragile and more visible external dependency structure. That is a meaningful structural effect, especially over the medium term.

A tenth advantage is that this sanctions block has strengthened the EU’s broader economic-security doctrine. The regime has compelled the Union to improve export-control governance, customs cooperation, guidance for operators, and coordination with allies around Common High Priority items and battlefield-relevant components. This matters because the benefits are not limited to the Russia file alone. A sanctions system that becomes better at tracing diversion, controlling intangible transfers, and identifying military-relevant industrial nodes increases the EU’s institutional competence in economic security more generally. The trade–industrial–technology measures have therefore had an internal state-capacity effect alongside their external coercive effect. They have pushed the Union towards a more mature integration of sanctions law, export-control logic, customs risk management, and private-sector compliance. That is an important advantage because it makes the regime more durable and more adaptable. It also means that lessons learned in the Russia case can be transferred to future coercion, anti-circumvention, and strategic-trade challenges. In that sense, these sanctions are not only restrictive measures. They are also a form of institutional learning through crisis.

Table 3.2.3.3-2. Selected structural effects of the EU’s trade–industrial–technology sanctions against Russia

Structural effect	Indicator / evidence	Analytical meaning
Deep contraction of EU–Russia trade	EU exports to Russia down 61% and imports down 90% between Q1 2022 and Q4 2025; Russia’s share in extra-EU exports fell from 3.2% to 1.2%, and in imports from 9.2% to 1.0%	The pre-war trade relationship has been substantially dismantled, reducing both dependence and routine access
Large-scale excision of sanctioned trade space	Over €48 billion in banned exports to Russia and €91.2 billion in banned imports from Russia; 54% of exports and 58% of imports embargoed versus 2021 volumes	The regime operates at both macro-commercial and micro-technological levels
Shift from border control to network control	53 new companies targeted in the 16th package, 31 in the 17th, and 45 in the 19th, including large numbers in third countries	Enforcement is increasingly aimed at procurement ecosystems, not only direct exporters

Structural effect	Indicator / evidence	Analytical meaning
Maintenance and industrial-continuity pressure	EU restrictions expanded to CNC software, spare parts, industrial minerals, chemicals, steel, glass materials, and other industrial goods with military significance	Sanctions now degrade repair, calibration, replacement, and production continuity over time
Continued Russian dependence on foreign technology	GUR portal lists 5,626 foreign components in 195 weapon units and 1,507 foreign machines across 192 defence-related factories	Russia remains dependent on foreign industrial and technological inputs despite adaptation efforts
Strain without total collapse	KSE Institute assessment: Russian MIC expanded, but faces funding-cost pressure, labour shortages, collapsing arms exports, sanctions, and failure to modernise technologically	The regime is generating structural strain even where absolute output has not ceased

Authorship: prepared by the author on the basis of official EU sources, Eurostat trade data, the official Ukrainian GUR “War & Sanctions” portals, and the KSE Institute’s 2025 assessment of the Russian military-industrial complex.

Sources:

- Council of the European Union. (n.d.). *EU sanctions against Russia: Questions and answers*. Consilium.
- European Commission. (n.d.). *Sanctions on dual-use goods*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (n.d.). *Sanctions adopted following Russia’s military aggression against Ukraine*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2024, December 18). *“No re-export to Russia” clause*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (n.d.). *Frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*. European Commission.
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- Main Intelligence Directorate of the Ministry of Defence of Ukraine. (2026, March 18). *Instruments of war in the weapon of the aggressor*. War & Sanctions.
- Main Intelligence Directorate of the Ministry of Defence of Ukraine. (2026, March 23). *Foreign components in weapons*. War & Sanctions.

Taken together, the advantages and structural effects of this sanctions block are best understood not as a story of immediate economic strangulation, but as a strategy of controlled industrial attrition. Its advantages lie in precision, chokepoint leverage, cumulative scope, enforceability through private compliance, and the ability to target procurement networks beyond Russia’s borders. Its structural effects are visible in the collapse of much of the EU–Russia trade relationship, the narrowing of Russia’s access to European industrial goods, the increased exposure of Russian military production to foreign-component and foreign-equipment dependency, and the mounting difficulty of technological modernisation under wartime conditions. The regime has not rendered Russia incapable of producing weapons. That would be an implausibly high threshold for any export-control system confronting a large wartime economy. What it has done is alter the conditions under which Russia can continue producing:

with more friction, more rerouting, more dependence on narrower channels, more maintenance constraints, and greater exposure to network disruption. That is exactly the sort of structural effect a sophisticated trade and technology sanctions regime is designed to produce. For that reason, this sanctions block should be regarded as one of the most consequential elements of the wider EU pressure architecture against Russia.

3.2.3.4. Limitations, Re-Export Corridors, and Near-Term Effectiveness Outlook

The limitations of the EU's trade, industrial, and technological restrictions against Russia arise not from a lack of legal ambition, but from the structural properties of modern industrial trade and procurement networks. These sanctions target goods that are often small in physical volume, high in functional importance, and easily embedded in layered commercial chains. That gives them great strategic value, but it also makes them difficult to police perfectly. A microchip, controller, sensor, or software licence can move through several jurisdictions, intermediaries, and legal entities before reaching its final end-user. In that sense, this sanctions block operates in a much less transparent environment than sectors where control can be exercised primarily at the level of obvious bulk shipments. The EU itself has progressively acknowledged this difficulty by moving from simple export bans to anti-circumvention tools, subsidiary obligations, contractual clauses, and enhanced due-diligence requirements. That institutional evolution is itself evidence that the original model of border-focused restriction was not sufficient on its own. The regime has become broader and more sophisticated precisely because the main problem is no longer whether a prohibited shipment leaves the EU directly for Russia, but whether the same item reaches Russia indirectly through alternative corridors, corporate layering, or intangible transfer.

The first major limitation is the persistence of third-country re-export corridors. A 2025 European Parliament briefing notes that several investigative reports have identified circumvention schemes through third-country imports, direct or indirect re-export, and false transit, and that exports from the EU to Russia's neighbouring and important trade partners increased remarkably between 2021 and 2023. That observation matters because it captures the structural logic of evasion in this domain. The sanctioned goods do not always need to move to Russia openly. They can pass through neighbouring or commercially connected jurisdictions and be re-labelled, re-consigned, or rerouted before final delivery. The same briefing stresses that cross-analysis of trade flows has been instrumental in identifying high-risk zones of sanctions circumvention, which implies that trade anomalies in third countries remain one of the main evidentiary tools for enforcement. This is a genuine limitation because it means that the effectiveness of EU controls depends partly on monitoring commercial behaviour beyond the Union's borders. Even a strong legal prohibition inside the EU can underperform if goods are exported to a nominally lawful destination from which they are subsequently redirected. In practical terms, this makes the fight over trade and technology sanctions a contest over supply-chain geography as much as over legal text.

A second limitation is that the most important re-export corridors are not random; they are increasingly concentrated in a set of commercially active jurisdictions and intermediary hubs that have both the capacity and, in some cases, the willingness to facilitate diversion. The 2025 KSE Institute report states that Russia's standard method of export-control circumvention is predicated largely on support from China and that, in many cases, a good is manufactured in China or the West and then sold and shipped by companies in China or Hong Kong. The same report adds that former Soviet countries have also benefited substantially from trade diversion and notes that Türkiye emerged in 2022–2023 as one of the key exporters of chips to Russia after China despite not being a producer itself. This does not mean that all trade through these jurisdictions is illicit or that every exporter is knowingly complicit. It does mean, however, that Russia's adaptation pathways have become increasingly concentrated in identifiable procurement ecosystems rather than spread diffusely across the global market. That concentration is strategically relevant in two opposite ways. It weakens the sanctions regime by preserving access routes, but it also makes those routes more visible and potentially more targetable. For the moment,

however, the persistence of these hubs remains a significant limitation on the effectiveness of the trade and technology restrictions.

A third limitation is that Russia's continued reliance on foreign-made components proves both the strategic relevance and the incomplete closure of the sanctions regime. The official Ukrainian War & Sanctions portal reported on 23 March 2026 that it had identified 5,626 foreign-produced components across 195 Russian weapon units. This figure does not demonstrate that sanctions are futile. On the contrary, it shows why export restrictions remain strategically well chosen: Russian weapons systems still depend on foreign electronics and specialised parts. Yet it also shows that access has not been cut off completely. If thousands of foreign-made components continue to appear in Russian weapons, then at least part of the procurement and diversion network remains functional. The problem, therefore, is not one of conceptual mis-targeting. It is one of imperfect interdiction. This limitation is especially important because in the trade and technology sphere, effectiveness depends not only on shrinking aggregate trade but on preventing the arrival of a relatively small number of highly consequential items. Even low-volume leakage can therefore have outsized military significance.

A fourth limitation concerns industrial equipment rather than electronic components alone. The same official Ukrainian portal reported on 18 March 2026 that it had documented 1,507 foreign-made machines used across 192 factories involved in the manufacture of weapons and military equipment. This suggests that the Russian military-industrial base remains entangled with foreign industrial hardware even after multiple rounds of sanctions and export-control tightening. That is analytically important because the EU's restrictions are designed not only to block battlefield electronics but also to undermine industrial maintenance, precision manufacturing, calibration, and replacement cycles. If foreign machines remain present across a large number of defence-related factories, the sanctions regime still faces a serious challenge at the level of legacy equipment, spare parts, maintenance ecosystems, and third-country support chains. The limitation here is not necessarily that new machinery flows freely. It is that installed foreign equipment creates continuing demand for parts, software, servicing, and technical workarounds that may be difficult to monitor comprehensively. In long-duration sanctions, legacy dependence can become a paradox: it creates vulnerability for the target, but only if the sanctioning coalition can actually exploit that vulnerability through persistent enforcement.

Table 3.2.3.4-1. Main limitations and re-export channels affecting the EU's trade-industrial-technology sanctions against Russia

Limitation / evasion channel	Practical manifestation	Why it weakens effectiveness	EU response already visible	Residual problem
Third-country re-export	Goods exported lawfully to non-Russian destinations are later redirected to Russia	Weakens the direct-border logic of export bans	"No re-export to Russia" clause, enhanced due diligence, anti-circumvention guidance	Enforcement depends on downstream visibility beyond the EU
False transit and indirect routing	Goods move through intermediary hubs under altered commercial documentation	Obscures end-use and makes customs detection harder	Transit bans, red-flag guidance, risk-based screening	Documentary opacity and mixed legitimate/illicit trade persist
China / Hong Kong procurement hubs	Manufacturing, resale, and shipment through firms outside the EU control perimeter	Preserves access to sensitive items through external ecosystems	Third-country entity listings, allied coordination on high-priority items	Large and commercially sophisticated hubs remain hard to discipline fully
Türkiye and other diversion nodes	Re-export of chips and other sanctioned or diversion-sensitive goods	Creates alternative access paths even without direct production capacity	Diplomatic pressure, targeted listings, trade-flow analysis	Political alignment and enforcement intensity vary across jurisdictions

Limitation / evasion channel	Practical manifestation	Why it weakens effectiveness	EU response already visible	Residual problem
Legacy foreign equipment in Russian factories	Installed foreign machines continue to require parts, servicing, and software	Sustains industrial functionality despite tighter new-export controls	Broader controls on parts, CNC software, and industrial goods	Installed base still creates demand that can be met through indirect channels
Limited visibility over actual dual-use flows	Lack of granular public data on what is exported, licensed, denied, or diverted	Makes impact assessment and targeted enforcement more difficult	Guidance, common high-priority lists, annual reporting	Data quality remains insufficient for complete real-time mapping

Authorship: prepared by the author on the basis of European Commission guidance, European Parliament analyses, the KSE Institute's 2025 report, and the Ukrainian War & Sanctions databases.

Sources:

- European Commission. (2023, December). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- European Commission. (2024, September 30). *Preventing Russian export control and sanctions evasion: Updated guidance for industry*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- European Commission. (2025, December 17). *Export-related restrictions for dual-use goods and advanced technologies: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- European Commission. (2024, December 11). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
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A fifth limitation lies in the quality and granularity of data available for monitoring dual-use and sensitive industrial flows. A 2026 European Parliament study on EU trade in dual-use items with conflict-affected regions explicitly notes that there is a lack of high-quality data on EU trade in dual-use goods and that, although the EU's annual report has improved, it still lacks granularity regarding what is actually traded. This is a significant structural weakness. Effective export control depends not only on legal prohibitions and intelligence-sharing, but also on the ability to detect anomalies, trace specific items, compare licensing decisions with customs outcomes, and identify suspicious divergences between production, export, and end-use patterns. If data remain insufficiently granular, authorities may know that circumvention is occurring without being able to map it with the precision necessary for rapid intervention. This limitation also affects policy evaluation. It becomes harder to distinguish between genuine degradation of Russian procurement capacity and simple relocation of trade into less visible channels. In the trade and technology sphere, poor data do not merely reduce academic certainty; they weaken enforcement intelligence itself.

A sixth limitation is the institutional fragmentation of sanctions implementation inside the EU itself. A 2024 European Parliament briefing observed that the unprecedented scale and scope of sanctions on

Russia had brought new implementation challenges into the spotlight, including inside the EU's own borders, and cited a recent study according to which the EU's decentralised system involved more than 160 designated competent authorities across Member States, creating a mosaic of practices that could pose risks to internal-market equity and consistent enforcement. This matters because sophisticated trade and technology restrictions require uniformity of interpretation, speed of licensing decisions, aligned red-flag detection, and consistent reactions to suspicious counterparties. If competent authorities vary widely in their practices, the sanctions regime may become uneven not by design but by administrative dispersion. Some operators may face stricter scrutiny than others, and some routes may remain softer simply because national implementation capacity differs. This institutional asymmetry is especially problematic where time-sensitive or high-value items are concerned. Re-export networks can adapt quickly, and fragmented enforcement gives them room to identify the weakest administrative points in the system.

A seventh limitation concerns the speed of adaptation by corporate shells and intermediary firms compared with the pace of designation. The later packages clearly show that the EU has responded to this problem by repeatedly expanding the list of third-country entities supporting Russia's military-industrial complex. The 16th package added 53 companies, including 34 outside Russia; the 17th package added 31 more, including 13 in third countries; and the 19th package added another 45 entities, 17 of them in third countries, specifically for enabling circumvention of export restrictions on CNC machine tools, microelectronics, UAVs, and other advanced-technology items. These repeated additions demonstrate progress, but they also reveal the problem itself. If the same type of designations must be renewed package after package, then procurement networks are evidently capable of reconstituting themselves through new firms, new documentation, and new routing structures. In other words, designation remains necessary but not always sufficient. The sanctions regime is playing an iterative game against commercial adaptation, and that game necessarily involves delay. This lag between detection and designation is a structural limitation on near-term effectiveness.

A final limitation is the heavy compliance burden placed on legitimate operators, which is strategically necessary but can generate uneven implementation outcomes. The Commission's 2023 and 2024 guidance documents make clear that exporters are expected to conduct risk-based due diligence, identify red flags, assess diversion risks through third countries, structure contracts accordingly, and mitigate the possibility that subsidiaries or business partners undermine the sanctions regime. The guidance also stresses that this material cannot be exhaustive and will be updated as new circumvention patterns emerge. That is sensible from an enforcement perspective, but it means that the regime operates in a constantly evolving compliance environment. Firms with strong compliance departments may adapt relatively well; smaller operators or firms in highly complex distribution chains may struggle more. This creates a secondary limitation: enforcement becomes partly dependent on the compliance maturity of private actors, not solely on public law. That dependence can strengthen sanctions when firms are vigilant, but it can also create unevenness where diligence capacity is limited or where risk signals remain ambiguous. In that respect, the sophistication of the regime is also one of its vulnerabilities.

Table 3.2.3.4-2. Near-term effectiveness outlook for the EU's trade-industrial-technology sanctions, 2026–2027

Driver	Direction of effect	Why it matters in 2026–2027	Likely effect if favourable	Likely effect if unfavourable
Third-country enforcement pressure	Positive if intensified	Main diversion channels now run through external commercial hubs	Re-export becomes costlier, slower, and more visible	Sensitive goods continue reaching Russia via intermediaries
Entity-list expansion and faster designation	Positive	Procurement networks reconstitute through new companies and shells	Shorter adaptation windows for circumvention networks	Network regeneration outpaces sanctions updates

Driver	Direction of effect	Why it matters in 2026–2027	Likely effect if favourable	Likely effect if unfavourable
Quality of customs and licensing data	Positive if improved	Better data are needed to detect false transit and suspicious anomalies	More targeted and evidence-based interdiction	Enforcement remains partly reactive and incomplete
Corporate due diligence on CHP and Annex XLVIII goods	Decisive	Private operators are central to preventing diversion before export occurs	Fewer leakages through ordinary commercial channels	Weak compliance leaves the regime porous
EU implementation harmonisation	Positive	Divergent national practices can create soft points in the internal market	More uniform control standards and fewer enforcement gaps	Circumvention exploits uneven national implementation
Allied coordination on battlefield items	Positive	High-priority items remain the most consequential leakage risk	Narrower external procurement space for Russia	Russia arbitrages differences between partner regimes
External hub dependence of Russia	Ambiguous but potentially favourable	Concentration in fewer jurisdictions can make procurement more targetable	More pressure on a smaller number of critical nodes	If those hubs remain permissive, concentration becomes an asset for Russia

Authorship: prepared by the author on the basis of the documents of European Commission, Council of the European Union, and European Parliament.

Sources:

- Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*. Consilium.
- European Commission. (2023, December). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
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- European Commission. (2024, December 11). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- European Parliament Research Service. (2024). *EU sanctions: A key foreign and security policy instrument*. European Parliament.
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- European Parliament. (2026). *EU trade in dual-use items with conflict-affected regions*. European Parliament.

The near-term outlook for 2026–2027 is therefore mixed but still broadly favourable to a strengthening of this sanctions block, provided that enforcement continues to evolve from static prohibition to active network disruption. Several factors support that conclusion. The legal architecture is already much denser than it was in 2022, with export bans now supplemented by transit restrictions, contractual non-re-export clauses, best-efforts duties, enhanced due diligence for Common High Priority items and Annex XLVIII goods, and catch-all tools that help Member States investigate suspicious shipments. The 18th package explicitly introduced a catch-all instrument to support national authorities in stopping and investigating suspicious shipments of advanced-technology items, which is particularly relevant for a regime now focused on concealment and redirection rather than open trade alone. The 19th package

also shows that the EU is increasingly willing to target third-country entities involved in the circumvention of controls on CNC machine tools, microelectronics, UAVs, and related technologies. These developments suggest that the regime is moving in the right operational direction. The question is no longer whether the EU recognises the nature of the evasion problem. It does. The question is whether the pace of control adaptation can outstrip the pace of commercial circumvention.

On balance, the most plausible assessment is that the trade–industrial–technology sanctions will become more effective in 2026–2027, but not because re-export corridors will disappear. They are likely to become more effective because the cost, complexity, and fragility of those corridors should continue to rise if the EU maintains pressure on intermediary firms, high-priority goods, and downstream contractual chains. Russia is unlikely to lose all access to foreign components and industrial inputs in the near term. However, it can be forced into narrower, riskier, more expensive, and less scalable channels of procurement. That is already visible in the concentration of adaptation through China, Hong Kong, Türkiye and other transit nodes, in the continuing need to rely on foreign components and machines, and in the repeated necessity to build fresh intermediary networks. In sanctions analysis, that pattern should not be dismissed simply because total closure has not been achieved. The relevant question is whether the Russian military-industrial complex can reproduce itself at the same quality, speed, and cost as before. The evidence presently suggests that it cannot do so without growing dependence on external hubs, higher procurement friction, and greater vulnerability to targeted disruption. Under those conditions, this sanctions block is likely to remain one of the most strategically consequential elements of the wider EU pressure architecture.

3.2.4. Transport and Logistics

3.2.4.1. Legal Instruments, Modalities, and Sanctions Coverage

The transport and logistics sanctions imposed by the European Union on Russia developed from a relatively narrow emergency response in early 2022 into a broad, multi-modal regime affecting aviation, maritime transport, road freight, ports, locks, airports, shipping services, and, increasingly, the infrastructure and vessel networks used to circumvent other sanctions. Their legal core remains Council Regulation (EU) No 833/2014, repeatedly amended by successive package regulations adopted under Article 215 TFEU following parallel CFSP decisions. What makes this sanctions block especially significant is that transport was never treated as a self-contained sectoral target. From the outset, transport restrictions served both as direct coercive measures and as enforcement multipliers for sanctions in energy, trade, finance, and export control. A road-freight prohibition could restrict physical entry into the Union, but it could also close a re-export corridor. A port ban could target maritime commerce directly, but it could equally support the oil embargo and oil-price-cap regime. An aviation export ban could reduce the operability of Russian carriers, while also denying maintenance and servicing ecosystems needed for long-term fleet viability. Over time, therefore, the legal logic of transport sanctions changed. It moved from access denial to logistics denial, and then from logistics denial to anti-circumvention governance. By late 2025 and early 2026, transport and logistics measures had become one of the most operationally important connective tissues of the wider sanctions system.

The first decisive legal move in this field was the aviation package of 25 February 2022, adopted through Council Regulation (EU) 2022/328. That act inserted Article 3c into Regulation 833/2014 and prohibited the sale, supply, transfer, or export to Russia of goods and technology suited for use in aviation or the space industry. The same article prohibited insurance and reinsurance in relation to such goods, as well as overhaul, repair, inspection, replacement, modification, or defect rectification of aircraft or components, except for pre-flight inspection. It also banned related technical assistance, brokering services, financing, and financial assistance. This is important because the aviation sanctions did not merely target aircraft as end products. They targeted the entire maintenance-and-operability ecosystem around fleets, parts, servicing, and financial support. In legal terms, this already revealed the later transport-sanctions method: deny not only the object, but the conditions of its continued use. Since

Russian civil aviation was heavily dependent on Western-origin aircraft, parts, software support, and maintenance chains, the strategic significance of Article 3c was much greater than a simple trade ban on aircraft-related goods would suggest. It converted fleet dependence into a long-term vulnerability.

Only three days later, on 28 February 2022, the Council adopted the third package, which closed EU airspace to all Russian aircraft. This covered aircraft operated by Russian air carriers, Russian-registered aircraft, and non-Russian-registered aircraft owned, chartered, or otherwise controlled by Russian persons. The legal and operational significance of this measure was immediate. Unlike export restrictions, which affect future capability and maintenance, the airspace closure directly removed operational access to the Union's territorial airspace. In that sense, the aviation track was built as a dual structure from the start. One layer denied future supply, maintenance, and servicing; the other denied movement. Later EU summaries and Commission materials broadened this picture further by clarifying that the regime covered all Russian-owned, registered, or controlled aircraft, including private jets, and that it eventually extended to manned and unmanned aircraft alike. Thus, the aviation sanctions were not simply a commercial restriction on Russian airlines. They were a territorial, technical, and operational exclusion from the European aviation space.

The next major legal expansion came with the fifth package of 8 April 2022, adopted through Council Regulation (EU) 2022/576 and the corresponding Council press release. This package introduced two foundational logistics measures outside aviation. First, it prohibited access to EU ports for vessels registered under the Russian flag, with derogations for agricultural and food products, humanitarian aid, and energy. Secondly, it banned Russian and Belarusian road transport undertakings from transporting goods by road within the EU, including in transit, again with limited derogations for categories such as pharmaceuticals, medical goods, agricultural and food products, including wheat, and humanitarian transport. The same package also prohibited exports of jet fuel and other goods, which linked transport restrictions to the broader export-control regime. This April 2022 step matters because it transformed transport sanctions into a genuinely multi-modal system. The EU was no longer acting only against Russian aviation. It was now closing off the maritime gateway and major overland freight channels as well. Legally, this marked the birth of the transport-and-logistics subsystem as such.

The subsequent 2022 packages did not radically alter the initial architecture, but they thickened and refined it in important ways. In July 2022, the so-called maintenance and alignment package extended the existing port-access ban to locks, thereby adapting the measure to inland-waterway and connected infrastructure realities. In October 2022, the eighth package introduced the oil price-cap framework for maritime transport of Russian oil to third countries and prohibited transactions with the Russian Maritime Register of Shipping. The broader EU sanctions summary later described this as a ban on transactions with the Russian Maritime Register of Shipping and, in Commission language, as a derecognition of that register at EU level and an entry ban on ships certified by it regardless of flag. The legal significance of these 2022 refinements is considerable. The EU moved beyond denying access to Russian-flagged ships and began targeting certification and service layers tied to maritime transport. It also used maritime transport law as a mechanism for enforcing energy sanctions outside direct EU import flows. By the end of 2022, therefore, transport sanctions had already ceased to be only about border entry. They had become linked to registry control, service denial, and maritime-energy governance.

The eleventh package of 23 June 2023 marked the next major turning point because it was explicitly designed to address circumvention. In the transport field, that package extended the road-freight prohibition to trailers and semi-trailers registered in Russia, even when hauled by trucks registered outside Russia. This closed an evident loophole in the original road-ban architecture. The same package also introduced port- and lock-access prohibitions for vessels engaging in ship-to-ship transfers where authorities had reasonable cause to suspect a breach of the Russian oil import ban or the oil price cap. In addition, it targeted vessels suspected of illegally interfering with, switching off, or otherwise disabling their navigation systems while transporting Russian crude oil or petroleum products. These measures are best understood as the legal moment when transport sanctions fully entered the anti-circumvention

phase. The road regime was no longer focused only on Russian hauliers as formal operators. The maritime regime was no longer focused only on Russian-flagged ships as formal vessels. Instead, the EU began targeting evasive logistics practices themselves.

A qualitatively new phase began with the fourteenth package of 24 June 2024, adopted through Council Regulation (EU) 2024/1745. For the first time, the EU created a vessel-specific sanctions framework against ships contributing to Russia's war effort. According to the Commission's official explanation, these vessels could be designated for a broad array of reasons, including transporting military equipment for Russia, transporting stolen Ukrainian grain, supporting Russia's energy sector through LNG-related activities, or functioning as part of Putin's "dark" or shadow fleet circumventing the EU and Price Cap Coalition limits. In the first round, 27 vessels were placed on the list. These ships became subject to a ban on access to EU ports and to a ban on receiving services. This was a major legal innovation. Until then, maritime restrictions had been built mainly around flag, registry, access, or conduct-based triggers. The 2024 framework introduced vessel-specific listing as a distinct regulatory technique. That allowed the EU to move from broad nationality-based exclusion to selective operational targeting of the ships and networks most relevant to sanctions circumvention and war logistics.

The fifteenth and sixteenth packages deepened this vessel-based logic and extended it into broader infrastructure control. In December 2024, the fifteenth package added 52 vessels, bringing the total number of designated shadow-fleet vessels to 79. In February 2025, the sixteenth package added 74 more vessels, bringing the total to 153, and simultaneously widened the regulatory perimeter in several transport-relevant directions. It introduced a ban on transactions with certain listed ports, locks, and airports in Russia used for the transfer of UAVs, missiles, and related components or for circumvention of the oil price cap and other restrictive measures. It also widened the EU flight ban to listed air carriers operating domestic flights within Russia or exporting aircraft or aviation goods to Russian air carriers and their controlled entities. In the road-transport domain, it strengthened the existing prohibition on transport by EU road operators owned 25% or more by a Russian person and prohibited changes in capital structure that would increase Russian ownership above that threshold. This package therefore linked transport sanctions more explicitly to logistics nodes, infrastructure, and corporate ownership structures.

The seventeenth, eighteenth, and nineteenth packages of 2025 scaled up this model dramatically. The seventeenth package of May 2025 added 189 vessels, doubling the listed fleet to 342 and, crucially, pairing vessel listings with individual sanctions on actors enabling the shadow-fleet ecosystem, including shipping companies and one insurer. The eighteenth package of July 2025 added another 105 vessels, bringing the total to 444, and extended sanctions across the shadow-fleet value chain by targeting companies managing shadow-fleet vessels, traders of Russian crude oil, a refinery in India linked to Rosneft, a vessel captain, and even a private operator of an international flag registry. The nineteenth package of October 2025 added 117 more vessels, raising the total to 557, and the Commission explicitly stated that the package also extended the port-infrastructure ban so that the EU could list ports in third countries instrumental to the Russian war effort. In December 2025, the Council sanctioned an additional 41 vessels, bringing the shadow-fleet total to 598. This evolution shows a very clear legal pattern: maritime sanctions moved from direct access denial to ecosystem disruption, and from Russian-connected infrastructure to external infrastructure used to sustain sanctions evasion.

The current scope of EU transport and logistics sanctions is therefore much wider than the headline phrases "airspace ban" or "port ban" would suggest. In aviation, the regime covers export, sale, supply, or transfer of aircraft and aviation goods, insurance and reinsurance, maintenance and related services, overflight and territorial access, domestic-flight support by third-country carriers, and information requirements for certain non-scheduled flights. In maritime transport, it covers Russian-flagged vessels, vessels certified through the Russian Maritime Register of Shipping, ships engaged in deceptive shipping practices, vessels involved in sanctions circumvention, and, increasingly, listed individual ships regardless of flag. In road freight, it covers Russian road transport undertakings, Russian-registered trailers and semi-trailers even when hauled by non-Russian trucks, and EU road operators subject to

significant Russian ownership. In infrastructure terms, it now extends to ports, locks, airports, and potentially certain ports in third countries used to sustain the Russian war economy or facilitate sanctions evasion. The Commission’s transport page also notes restricted access to financial services for Russian railways, which, although narrower than the other modal restrictions, demonstrates that the regime extends even into rail-support structures. Thus, the legal object of these sanctions is no longer transport as a sector in isolation. It is transport as the circulatory system of Russian trade, military supply, and sanctions circumvention.

A final point concerns the relationship between package evolution and regulatory technique. The transport sanctions did not evolve through a single sweeping statute that settled the field once and for all. They evolved through cumulative amendments to Regulation 833/2014, each package adding a new legal layer: first aviation goods and airspace denial, then port and road restrictions, then lock extension and registry measures, then conduct-based maritime anti-circumvention rules, then vessel-specific listings, then infrastructure transaction bans, ecosystem sanctions, and third-country port exposure. This sequencing is analytically important because it shows that transport sanctions became progressively more intelligence-dependent and more enforcement-oriented over time. The earlier measures were broad and relatively formal. The later measures are narrower but operationally sharper, targeting deceptive logistics practices, ownership structures, registries, insurers, infrastructure nodes, and specific vessels. As a result, the transport-and-logistics block now functions as one of the most dynamic parts of the EU’s sanctions architecture. Its legal significance lies not only in the restrictions it contains, but in the way it converts mobility and logistics into a field of strategic pressure.

Table 3.2.4.1-1. Package evolution of EU transport and logistics sanctions against Russia, 2022–2025

Date	Legal instrument / package	Core transport and logistics measure(s)	Analytical significance
25 February 2022	Council Regulation (EU) 2022/328	Ban on exports of aircraft, aircraft parts and equipment; ban on insurance, reinsurance, repair, maintenance, technical assistance, brokering and financing for aviation goods	Created the aviation-maintenance denial model rather than a simple export ban
28 February 2022	Third package	Closure of EU airspace to Russian-operated, Russian-registered or Russian-controlled aircraft	Added immediate territorial-operational exclusion to the aviation track
8 April 2022	Fifth package / Council Regulation (EU) 2022/576	Ban on access to EU ports for Russian-flagged vessels; ban on Russian and Belarusian road operators transporting goods by road within the EU, including transit	Established the maritime and road-freight pillars of the transport regime
21 July 2022	Seventh package (“maintenance and alignment”)	Extension of port-access ban to locks	Adapted maritime sanctions to inland and connected infrastructure
6 October 2022	Eighth package	Oil-price-cap framework for maritime transport to third countries; prohibition on transactions with the Russian Maritime Register of Shipping	Linked maritime transport law to energy-sanctions enforcement and certification control
23 June 2023	Eleventh package	Ban on Russian-registered trailers and semi-trailers; port/lock bans on vessels engaging in ship-to-ship transfers or disabling navigation systems	Shift from basic access denial to anti-circumvention control of deceptive logistics practices
24 June 2024	Fourteenth package / Council Regulation (EU) 2024/1745	First vessel-specific listings; 27 vessels targeted; port-access and services ban for listed vessels	Introduced a list-based “targeted vessels” regime against the shadow fleet and war-supporting ships
16 December 2024	Fifteenth package	52 more shadow-fleet vessels listed, total 79	Normalised vessel-specific targeting as a recurring sanctions tool

Date	Legal instrument / package	Core transport and logistics measure(s)	Analytical significance
24 February 2025	Sixteenth package	74 more vessels listed, total 153; transaction ban on certain ports, locks and airports in Russia; wider flight ban; tighter road-ownership rule	Expanded transport sanctions to infrastructure nodes and Russian-owned EU freight structures
20 May 2025	Seventeenth package	189 more vessels listed, total 342; sanctions on shadow-fleet ecosystem actors including shipping companies and an insurer	Moved from vessel targeting to ecosystem disruption
18 July 2025	Eighteenth package	105 more vessels listed, total 444; additional value-chain sanctions including a registry operator and vessel captain	Deepened shadow-fleet governance across management, trade and registry layers
23 October 2025	Nineteenth package / Council Regulation (EU) 2025/2033	117 more vessels listed, total 557; extension of port-infrastructure ban to enable listing of relevant third-country ports	Extended the transport regime beyond Russia-linked infrastructure towards external enabling nodes
18 December 2025	Additional Council vessel sanctions	41 more vessels listed, total 598	Confirmed the continuing iterative expansion of the targeted-vessels regime

Authorship: prepared by the author on the basis of official EU regulations, Council timelines, Council press releases, and European Commission sanctions materials.

Sources:

- Council of the European Union. (2022, February 28). *EU adopts new set of measures to respond to Russia's military aggression against Ukraine*. Consilium.
- Council of the European Union. (2022, April 8). *EU adopts fifth round of sanctions against Russia over its military aggression against Ukraine*. Consilium.
- Council of the European Union. (2023, June 23). *Russia's war of aggression against Ukraine: EU adopts 11th package of economic and individual sanctions*. Consilium.
- Council of the European Union. (2024, December 16). *Russia's war of aggression against Ukraine: EU adopts 15th package of restrictive measures*. Consilium.
- Council of the European Union. (2025, February 24). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*. Consilium.
- Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*. Consilium.
- Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*. Consilium.
- Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*. Consilium.
- Council of the European Union. (2025, December 18). *Russia's war of aggression against Ukraine: Council sanctions 41 vessels of the Russian shadow fleet*. Consilium.
- Council of the European Union. (n.d.). *EU sanctions against Russia: Questions and answers*. Consilium.
- Council of the European Union. (n.d.). *Timeline — Packages of sanctions against Russia since February 2022*. Consilium.
- Council Regulation (EU) 2022/328 of 25 February 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. (2022). *Official Journal of the European Union*, L 49.
- Council Regulation (EU) 2022/576 of 8 April 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. (2022). *Official Journal of the European Union*, L 111.
- Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. (2024). *Official Journal of the European Union*.
- Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. (2025). *Official Journal of the European Union*.
- European Commission. (n.d.). *Sanctions on transport*. European Commission.

- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, June 30). *Targeted vessels: FAQs on sanctions against Russia and Belarus, with focus on Article 3s of Council Regulation 833/2014*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, October 23). *EU adopts 19th package of sanctions against Russia*. European Commission.
- European Union. (2026). *EU restrictive measures in view of Russia's invasion of Ukraine*. EUR-Lex Summaries.

Table 3.2.4.1-2. Current scope of EU transport and logistics sanctions against Russia

Transport domain	Principal restrictions	Scope of control
Aviation	Export ban on aircraft, parts and equipment; insurance/reinsurance ban; maintenance and repair ban; related services ban; EU airspace closure	Denies both supply-side sustainability and operational access
Maritime transport	Port-access bans for Russian-flagged vessels; bans linked to ship-to-ship transfers and AIS/navigation-system manipulation; vessel-specific shadow-fleet listings; restrictions tied to oil price cap	Combines flag-based, conduct-based, and list-based control
Shipping services and certification	Transactions ban with Russian Maritime Register of Shipping; derecognition at EU level; services ban for listed vessels	Targets the legal-service and certification environment of shipping
Road freight	Ban on Russian road transport undertakings in the EU and in transit; ban on Russian-registered trailers and semi-trailers even when hauled by non-Russian trucks; tighter rules for EU operators with 25%+ Russian ownership	Closes both formal operator and asset-based loopholes
Ports, locks and airports	Bans on access to EU ports and locks; transactions ban on certain listed ports, locks and airports in Russia; possible extension to relevant third-country ports	Expands control from vehicles and vessels to logistics nodes
Rail-adjacent transport finance	Restricted access to financial services for Russian railways	Adds a narrower but symbolically important rail-support element
Shadow-fleet ecosystem	Listings of vessels, shipping companies, traders, insurers, registry operators and related enablers	Treats circumvention as a network problem rather than a ship-only problem

Authorship: prepared by the author on the basis of official EU transport-sanctions summaries, Council package materials, and the EU's sector-specific FAQ infrastructure.

Sources:

- Council of the European Union. (2022, February 28). *EU adopts new set of measures to respond to Russia's military aggression against Ukraine*. Consilium.
- Council of the European Union. (2022, April 8). *EU adopts fifth round of sanctions against Russia over its military aggression against Ukraine*. Consilium.
- Council of the European Union. (2023, June 23). *Russia's war of aggression against Ukraine: EU adopts 11th package of economic and individual sanctions*. Consilium.
- Council of the European Union. (2024, December 16). *Russia's war of aggression against Ukraine: EU adopts 15th package of restrictive measures*. Consilium.
- Council of the European Union. (2025, February 24). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*. Consilium.
- Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*. Consilium.
- Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*. Consilium.
- Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*. Consilium.
- Council of the European Union. (2025, December 18). *Russia's war of aggression against Ukraine: Council sanctions 41 vessels of the Russian shadow fleet*. Consilium.
- Council of the European Union. (n.d.). *EU sanctions against Russia: Questions and answers*. Consilium.

- Council of the European Union. (n.d.). *Timeline — Packages of sanctions against Russia since February 2022*. Consilium.
- Council Regulation (EU) 2022/328 of 25 February 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. (2022). *Official Journal of the European Union*, L 49.
- Council Regulation (EU) 2022/576 of 8 April 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. (2022). *Official Journal of the European Union*, L 111.
- Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. (2024). *Official Journal of the European Union*.
- Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. (2025). *Official Journal of the European Union*.
- European Commission. (n.d.). *Sanctions on transport*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, June 30). *Targeted vessels: FAQs on sanctions against Russia and Belarus, with focus on Article 3s of Council Regulation 833/2014*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, October 23). *EU adopts 19th package of sanctions against Russia*. European Commission.
- European Union. (2026). *EU restrictive measures in view of Russia's invasion of Ukraine*. EUR-Lex Summaries.

3.2.4.2. Objectives and Strategic Logic

The strategic logic of the EU's transport and logistics sanctions against Russia is broader than the mere interruption of movement between Russia and the Union. These measures were designed to attack mobility as a functional condition of war-making, external trade, sanctions evasion, and geopolitical endurance. Official Commission and Council materials show that the transport sector sanctions include the closure of EU airspace to Russian aircraft, the closure of EU ports to Russian vessels and to hundreds of shadow-fleet vessels, bans on exports of aviation, maritime and space goods and technology, restrictions on Russian road operators and Russian-registered trailers, and bans on transport-related repair, maintenance, and financial services. Taken together, this reveals a coherent strategic objective. The EU sought not only to reduce Russia's physical access to European transport infrastructure, but also to degrade the service ecosystems, routing options, and logistical flexibility that make large-scale trade and military sustainment possible. In this sense, transport sanctions function as an operational multiplier. They support energy sanctions, trade sanctions, and export controls by constraining the channels through which restricted goods, revenues, and logistical workarounds circulate. Their core logic is therefore systemic rather than sectoral.

A first objective was immediate territorial and operational exclusion. The closure of EU airspace to Russian aircraft and the closure of EU ports to Russian vessels were not simply symbolic gestures of diplomatic condemnation. They were designed to remove Russia from routine access to the EU's transport space and thereby impose an immediate disruption cost on aviation and maritime operations. The early aviation measures were paired with export bans on aircraft, parts, and aviation-related goods, as well as prohibitions on insurance, reinsurance, repair, maintenance, technical assistance, and financial support. This demonstrates that the strategic aim was not confined to denying overflight or landing rights in the short term. The EU also aimed to undermine the long-term operability of Russian fleets by cutting them off from Western-origin maintenance and service ecosystems. In transport sanctions, denying movement and denying sustainment are analytically distinct mechanisms, but the EU used both from the very beginning. That dual design made aviation sanctions especially potent because it combined immediate immobilisation with cumulative degradation.

A second objective was to turn logistics constraints into economic pressure on the wider Russian war economy. Transport sanctions were built to interact with broader measures targeting energy, trade,

finance, and technology. This is why the maritime regime became closely tied to the oil import ban, the oil price cap, and later the targeting of the shadow fleet. The Council explained in May 2025 that the 17th package was designed to cut Russia's energy revenues that fuel its war of aggression by heavily targeting the shadow fleet of oil tankers, their operators, and related enablers. It further stated that restrictive measures on the shadow fleet are intended to dismantle its operational capacity, thereby reducing the oil revenues that support Russia's war economy. This is a remarkably clear statement of strategic logic. The EU was not sanctioning vessels because ships are inherently strategic objects; it was sanctioning them because maritime transport is the mechanism through which Russian oil revenues are converted into fiscal resources. In that respect, transport sanctions are best understood as a revenue-denial infrastructure.

A third objective was to make sanctions circumvention physically harder, riskier, and more expensive. The eleventh package in June 2023 is particularly revealing here because the Commission explicitly described the transport measures as clamping down on circumvention. It introduced a full ban on trucks with Russian trailers and semi-trailers transporting goods to the EU, specifically to close a loophole in the earlier prohibition on Russian freight road operators. The same package prohibited access to EU ports for vessels engaging in suspicious ship-to-ship transfers, failing to notify such transfers in advance, or manipulating or switching off navigation-tracking systems while carrying Russian oil subject to the ban or price cap. This is not merely an expansion of border control. It is the legal recognition that the real transport problem lies in deceptive logistics practices rather than only in formal Russian ownership or registration. Once sanctions evasion shifts into routing behaviour, documentary manipulation, and disguised transfers at sea, enforcement must also shift from static nationality rules to conduct-based restrictions. The strategic logic of the 2023 turn was therefore to criminalise or obstruct the methods of evasion themselves.

A fourth objective was to extend sanctions pressure from transport operators to transport infrastructures and service layers. The later packages show that the EU increasingly treated ports, locks, airports, registries, insurers, ship managers, and infrastructure operators as relevant sanction targets. The sixteenth package in February 2025 introduced a ban on transactions with certain listed ports, locks, and airports in Russia used for the transfer of UAVs, missiles, related technologies, or for circumventing other restrictive measures, while also extending the flight ban to certain third-country carriers operating domestic flights in Russia or supplying aviation goods to Russian air carriers. The eighteenth and nineteenth packages then deepened this logic by targeting companies managing shadow-fleet vessels, oil traders, a registry operator, and by extending the port-infrastructure ban so that the EU could list relevant ports in third countries instrumental to the Russian war effort. These developments show that the EU no longer treats transport as a narrow question of who is moving what. It increasingly treats transport as a structured environment of nodes, services, authorisations, and enabling actors. The strategic objective is therefore to degrade the logistics ecosystem as a whole, not merely particular vehicles or vessels.

A fifth objective was to force Russian logistics into lower-quality and higher-risk operating patterns. The shadow-fleet strategy is the clearest illustration of this logic. The Council described the targeted vessels as non-EU tankers that are part of the shadow fleet circumventing the oil price cap mechanism, supporting Russia's energy sector, or transporting military equipment or stolen Ukrainian grain. The 19th package also introduced a ban on reinsuring vessels belonging to the shadow fleet, while the Commission stated that the EU continues outreach to flag states so that their ship registers do not allow such tankers to sail under their flag. These measures demonstrate that the EU's purpose is not only to list ships for the sake of sanctions visibility. It is to make the use of alternative maritime channels less stable, less insurable, less certifiable, and more exposed to interruption. The strategic logic is one of quality degradation in logistics. Russia may still move cargo, but it should do so under inferior legal, insurance, and flag conditions, with higher accident, compliance, and transaction risks.

Table 3.2.4.2-1. Strategic objectives of EU transport and logistics sanctions against Russia

Strategic objective	Main instruments	Operational logic	Intended effect
Territorial and operational exclusion	Airspace closure, port-access bans, road-transport prohibitions	Remove Russian and Russia-linked operators from routine access to EU transport space	Immediate disruption of movement and loss of privileged access to European infrastructure
Fleet and service degradation	Bans on aircraft, parts, jet fuel, maintenance, repair, insurance, financial services, shipping services	Deny the technical and commercial conditions needed for continued operation	Long-term reduction in operability, maintenance quality, and fleet resilience
Revenue denial through logistics control	Oil-price-cap-linked maritime measures, targeted vessels regime, restrictions on shadow-fleet enablers	Attack the transport mechanisms through which energy exports generate war revenue	Lower monetisation efficiency of Russian energy trade
Anti-circumvention and route closure	Restrictions on Russian trailers, ship-to-ship transfers, AIS manipulation, targeted vessels, due diligence across service chains	Interdict deceptive routing practices and alternative logistics workarounds	Raise the cost and fragility of sanctions evasion
Infrastructure and node disruption	Transaction bans on ports, locks, airports, registries, and later third-country enabling nodes	Extend pressure from carriers to the infrastructure ecosystem	Reduce the number of viable hubs and choke points available to Russia
De-normalisation of logistics relations	Repeated vessel listings, reinsurance bans, and outreach to flag states	Signal that workaround channels will remain under rolling pressure	Make pre-war logistics arrangements politically and commercially irrecoverable

Authorship: prepared by the author on the basis of official EU legal and policy materials.

Sources:

- Council of the European Union. (n.d.). *EU sanctions against Russia: Questions and answers*. Consilium.
- Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*. Consilium.
- European Commission. (n.d.). *Sanctions on transport*. European Commission.
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*. Directorate-General for Communication.

A sixth objective was to make transport sanctions support export controls and battlefield technology denial. This is often overlooked because aviation, road freight, and maritime measures are sometimes treated as separate from trade and technology restrictions. In practice, however, the two are deeply interconnected. The sixteenth package extended the flight ban so that third-country carriers conducting domestic flights within Russia or supplying aviation goods to Russian airlines could be listed. This is a telling measure because it links physical movement, aviation servicing, and sanctions circumvention within a single logic. Likewise, the Commission's transport page places transport sanctions alongside bans on exports to Russia of aviation, maritime, and space-sector goods and on transport-related repair, maintenance, and financial services. The message is clear. Logistics is not only about carrying sanctioned items. It is also about the upkeep of the systems that allow aircraft, fleets, and transport infrastructure to keep serving military, industrial, and coercive functions. The strategic purpose is therefore to close the loop between movement and sustainment.

A seventh objective was to reduce Russia's capacity to exploit grey-zone mobility and ambiguous external operators. The targeted-vessels framework under Article 3s and the Commission's FAQ on that provision illustrate this point. The very existence of a vessel-specific regime, together with narrow safety-based exemptions for emergency port calls, shows that the EU now distinguishes between legitimate maritime safety needs and the deliberate use of mobile assets for sanctions evasion. The point of the framework is not merely administrative listing. It is to create a flexible tool capable of following risky conduct across changing flags, ownership structures, and service relationships. This is strategically

important because a shadow-fleet system relies precisely on ambiguity: false flags, registry shopping, opaque insurance, deceptive shipping patterns, and constantly shifting corporate wrappers. By listing individual vessels and prohibiting a broad range of related services, the EU tries to strip that ambiguity of its operational value. The logic is to individualise control in a domain that otherwise rewards opacity.

An eighth objective was to preserve EU political cohesion and limit self-inflicted disruption while still intensifying pressure on Russia. This is one reason why transport sanctions evolved incrementally and with derogations rather than through one immediate total blockade across all modes. The Commission's general sanctions FAQ states that EU sanctions are targeted at the Kremlin and its accomplices, aim at weakening the Russian government's ability to finance its war of aggression, and are designed to maximise negative impact on the Russian economy while limiting consequences for EU businesses and citizens. That general rationale is especially relevant to transport and logistics. Airspace, ports, freight, and shipping are highly interdependent systems in which overbroad restrictions can create serious spillovers. The phased structure of the transport regime shows that the EU sought to maintain control over escalation, adding new restrictions where operationally feasible and tightening loopholes once adaptation routes became visible. This calibrated logic is not evidence of hesitancy. It is part of the strategic design that allowed transport sanctions to become more severe over time without provoking a collapse of internal consensus.

A ninth objective was de-normalisation. Transport sanctions were intended not only to obstruct current Russian activity, but also to prevent a quiet return to routine logistics integration under wartime conditions. Repeated additions of vessels to the shadow-fleet list, the expansion from ships to insurers, registries, and port infrastructures, and the outward extension towards relevant third-country nodes all signal that the EU wants the workaround architecture itself to remain unstable and sanction-exposed. By December 2025, the Council had sanctioned almost 600 non-EU vessels connected to the shadow fleet, while the broader Consilium overview states that EU ports are closed to all Russian vessels and to almost 600 non-EU shadow-fleet vessels. This scale matters symbolically as well as operationally. It communicates that transport links implicated in revenue generation, military support, or sanctions evasion are not being treated as ordinary commercial channels awaiting future rehabilitation. The transport regime thus serves a signalling function alongside its coercive function: it marks logistics normalisation as politically non-automatic.

Table 3.2.4.2-2. Strategic logic of the evolution of EU transport sanctions, 2022–2025

Phase	Dominant concern	Illustrative transport measures	Strategic logic
Early 2022	Immediate exclusion and disruption	Airspace closure; aviation export, maintenance, insurance and service bans; port and road restrictions	Remove Russian operators from EU transport space and attack fleet operability
Late 2022	Link transport to energy enforcement	Maritime measures tied to oil-price-cap architecture and Russian Maritime Register restrictions	Use transport law to constrain energy monetisation and service availability
2023	Close obvious logistics loopholes	Ban on Russian trailers and semi-trailers; rules against suspicious ship-to-ship transfers and AIS manipulation	Shift from formal operator bans to conduct-based anti-circumvention control
2024	Start vessel-specific disruption	First targeted-vessels listings under Article 3s	Move from broad category restrictions to intelligence-led targeting of risky ships
2025	Ecosystem disruption and node control	Massive shadow-fleet listings; sanctions on operators, insurer, registry actors, ports, locks and airports	Treat transport sanctions as an attack on the full logistics and circumvention ecosystem
Late 2025	Externalisation of pressure	Extension of port infrastructure ban to relevant third-country ports; outreach to flag states	Push sanctions pressure beyond Russia-linked assets to external enabling nodes

Authorship: prepared by the author on the basis of official EU package materials and sector-specific guidance.

Sources:

- Council of the European Union. (n.d.). *Timeline — EU sanctions against Russia*. Consilium.
- European Commission. (2023, June 23). *EU adopts 11th package of sanctions against Russia for its continued illegal war against Ukraine*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- European Commission. (2025, July 18). *EU adopts 18th package of sanctions against Russia*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*. Directorate-General for Communication.

A final strategic objective was to convert logistics into an enforcement domain rather than merely a sector under sanctions. This is perhaps the most important conceptual shift in the whole transport block. In the early phase, sanctions largely denied access or supply. In the later phase, they sought to identify, classify, and continually disrupt the moving architecture of circumvention itself. That is why the transport regime now includes targeted vessels, infrastructure transaction bans, ownership restrictions in road transport, registry-related measures, service denials, and an expanding focus on third-country enablers. The strategic logic is thus dynamic rather than static. Russia's logistics system is expected to adapt, and EU transport sanctions are designed increasingly to adapt in response. When viewed in this way, the transport-and-logistics regime emerges as one of the most operationally sophisticated components of the wider sanctions' architecture, because it acts simultaneously on mobility, maintenance, monetisation, and enforcement. It does not simply stop things from moving. It seeks to make sanctioned movement progressively less insurable, less serviceable, less certifiable, less profitable, and less governable.

3.2.4.3. Advantages and Structural Effects

One of the principal advantages of the EU's transport and logistics sanctions against Russia is that they operate across several domains simultaneously rather than within a single sectoral silo. Aviation restrictions, port bans, road-freight prohibitions, vessel listings, and service-related bans do not merely affect transport as an industry. They directly reinforce the effectiveness of energy sanctions, trade and technology controls, and anti-circumvention policy. This gives the transport block a systemic significance that exceeds its formal legal boundaries. In practical terms, the EU has used transport sanctions to constrain movement, maintenance, access to infrastructure, certification, and the logistics of sanctions evasion all at once. That combination is strategically valuable because even when Russia manages to preserve some trade flows, it may still face degradation in the quality, speed, cost, and reliability of those flows. Unlike measures that act only at the financial or customs level, transport sanctions strike at the physical circulation of goods, equipment, fuels, and services. They therefore function as a pressure mechanism against the operational metabolism of the Russian war economy rather than against isolated transactions alone.

A second advantage lies in the immediacy of territorial exclusion. The closure of EU airspace to Russian-owned, registered, or controlled aircraft and the closure of EU ports to Russian-flagged vessels removed Russia from privileged access to core parts of the European transport space. The effect of such measures is immediate rather than delayed, because they alter route availability and access conditions from the moment of entry into force. This distinguishes them from some export-control measures whose main consequences accumulate over time. In the transport field, the EU was able to combine immediate disruption with longer-term denial of support services. That dual structure is especially visible in aviation, where the sanctions architecture links airspace closure to bans on exports of aircraft, parts, and equipment, as well as bans on repair, maintenance, and related financial services. As a result, transport sanctions have generated both operational shock and cumulative degradation. This duality is one of their greatest strengths.

The aviation segment offers a particularly strong example of asymmetrical leverage. The European Commission states that three quarters of Russia's current commercial air fleet were built in the EU, the United States, and Canada, and concludes from this that Russia will not be able to maintain its fleet to international standards. This is a structurally important point. The effectiveness of aviation sanctions does not rest only on keeping planes out of EU airspace. It also rests on Russia's inherited dependence on Western-origin aircraft, components, servicing chains, and technical support environments. Where such dependence exists, sanctions convert prior integration into a source of vulnerability. This gives the aviation block an unusually powerful time profile, because problems of maintenance, repair, inspection, replacement, and certification tend to intensify rather than disappear as fleets age and spare parts become harder to obtain. In other words, the aviation sanctions do not merely interrupt mobility; they erode sustainability. That makes them one of the clearest examples of how transport sanctions can generate deep structural effects from a seemingly narrow legal intervention.

A fourth advantage is that the maritime regime has become one of the EU's most effective mechanisms for turning transport pressure into revenue pressure. The targeted-vessels framework has grown rapidly, with the number of listed vessels rising to 153 under the 16th package, 342 under the 17th, 444 under the 18th, and 557 under the 19th package, while the broader Council overview states that almost 600 vessels have been subject to EU port-access restrictions and related measures. The 17th package was described by the Commission as the largest single G7 sanctions action targeting shadow-fleet vessels. It also stated that these listings, together with action by partner countries, were significantly reducing Russia's ability to gain revenues from evading the oil price cap and were making oil exports more complex and costly for the Kremlin. This shows why maritime transport sanctions are not simply transport policy. They are also an enforcement arm of the energy sanctions regime. By targeting vessels, services, and port access, the EU increases the logistical friction associated with oil monetisation. Even where exports continue, they do so under less favourable and less stable conditions.

Table 3.2.4.3-1. Main advantages of the EU's transport and logistics sanctions against Russia

Advantage	Operational content	Strategic value	Structural consequence
Immediate territorial exclusion	Airspace closure, port bans, road-freight prohibitions	Delivers rapid operational disruption	Removes Russia from routine access to EU transport space
Maintenance-denial leverage	Bans on aviation goods, parts, repair, maintenance, insurance, and financial services	Converts prior dependence on Western transport ecosystems into long-term vulnerability	Gradual decline in fleet maintainability and serviceability
Cross-domain reach	Transport restrictions reinforce energy, trade, and technology sanctions	Increases cumulative pressure beyond the transport sector itself	Makes sanctions harder to bypass through purely logistical adaptation
Maritime revenue disruption	Vessel listings, port-access bans, and service bans for the shadow fleet	Raises the cost of oil-export circumvention and supports the price-cap regime	Makes Russian oil logistics more complex, riskier, and more expensive
Conduct-based anti-circumvention	Measures against ship-to-ship transfers, AIS manipulation, and deceptive shipping patterns	Targets evasive logistics practices directly	Shifts enforcement from static nationality rules to operational behaviour
Ecosystem disruption	Sanctions on ports, locks, airports, registries, insurers, and shipping enablers	Attacks logistics as a network rather than isolated assets	Narrows the infrastructure and services available for workaround systems

Authorship: prepared by the author on the basis of official EU package materials and sector-specific guidance.

Sources:

- Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.
- European Commission. (n.d.). *Sanctions on transport*.
- Council of the European Union. (2025, February 24). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, July 18). *EU adopts 18th package of sanctions against Russia*.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.
- Eurostat. (2026). *EU trade with Russia — latest developments*.

A fifth advantage is the movement from category-based sanctions to conduct-based sanctions. Earlier transport measures were primarily directed at Russian operators, Russian-flagged vessels, or Russian-registered assets. Over time, however, the EU recognised that circumvention increasingly relied on deceptive shipping practices rather than on formally Russian identities alone. The current transport-sanctions framework therefore covers vessels engaged in suspicious ship-to-ship transfers, vessels that fail to notify transfers properly, and vessels that manipulate or switch off navigation systems while transporting Russian oil. This is a significant regulatory improvement. It allows the EU to respond to how sanctions are actually being evaded rather than only to who is doing the evading in a formal legal sense. Such conduct-based targeting is a major advantage because workaround systems often rely on shell ownership, registry changes, and false documentation. By shifting the focus towards logistics behaviour, the EU has made the transport regime more adaptive and more operationally relevant.

A sixth advantage lies in the EU's increasing ability to disrupt logistics ecosystems rather than only vehicles or carriers. The Commission's transport page now summarises restrictions that extend to airports, seaports, locks, the Russian Maritime Register of Shipping, Russian railways' access to financial services, vessels aiding Russia's war, and even ports in third countries instrumental to the Russian war effort. This breadth matters because transport resilience depends on networks of infrastructure and services rather than on ships, aircraft, or trucks alone. A vessel without port access, service providers, registry support, reinsurance, or predictable logistics nodes is much less useful than a vessel considered in isolation. The later packages recognised this interdependence and began to treat infrastructures and enablers as sanctionable objects in their own right. That is a structural strengthening of the regime. It means that Russian adaptation must now replace not only moving assets, but also the institutional and infrastructural environment that makes those assets commercially viable.

A seventh structural effect is visible in the increasing degradation of Russian reliance on mainstream maritime services. CREA's February 2026 analysis states that only 33% of Russian crude-oil exports were transported by G7+ tankers in that month, while 56% were carried by sanctioned shadow vessels and 11% by non-sanctioned shadow vessels. The same source notes that Russia has built a large shadow fleet that now carries the majority of crude exports, reducing reliance on Western services. At first glance, this may seem to indicate only evasion. Yet analytically it also reveals an important structural consequence of the sanctions' regime. Russia has been pushed away from normalised, well-insured, transparent shipping channels and towards an opaquer and risk-laden logistics system. That is not equivalent to export paralysis, but it is still a form of degradation. A logistics model that depends increasingly on sanctioned or opaque vessels is less stable, less reputable, and more vulnerable to further targeted action than one anchored in mainstream maritime services.

An eighth structural effect is the visible growth of false-flag and high-risk shipping behaviour, which underlines both the pressure created by sanctions and the distortions they have introduced into Russian logistics. CREA reported that in December 2025 there were 93 shadow vessels operating under false flags at the end of the month, that in January 2026 the number was 81, and that in February 2026 it was 63. It also reported that some of these vessels delivered hundreds of millions of euros' worth of Russian crude oil and oil products while flying false flags, and that a large share of such traffic transited the Danish Straits. These patterns matter because they show that sanctions have not left Russian oil logistics unchanged. They have pushed a meaningful part of that trade into less transparent and more deceptive operating modes. Such adaptation may preserve flows, but it does so at the price of legal

opacity, higher reputational risk, and greater exposure to maritime incidents and enforcement action. In sanctions analysis, that is a structural effect even when trade volumes do not collapse.

Table 3.2.4.3-2. Selected structural effects of EU transport and logistics sanctions against

Structural effect	Indicator / evidence	Analytical meaning
Degradation of aviation sustainability	Three quarters of Russia's commercial air fleet were built in the EU, the US and Canada; EU bans cover parts, maintenance, repair, and related financial services	Aviation dependence on Western-origin fleets has been transformed into a long-term sanction vulnerability
Progressive expansion of the shadow-fleet regime	Listed vessels rose to 153, then 342, 444, and 557 across the 16th–19th packages; broader EU overview refers to almost 600 vessels	Maritime sanctions have become a rolling mechanism of vessel and network disruption rather than a one-off measure
Higher complexity and cost of oil-export logistics	The Commission states that vessel listings are making Russian oil exports more complex and costly	Transport sanctions now directly affect the economic efficiency of Russian energy monetisation
Shift away from mainstream maritime services	In February 2026, 56% of Russian crude exports were carried by sanctioned shadow vessels and only 33% by G7+ tankers	Russia's logistics increasingly rely on opaque and riskier transport channels
Persistence of deceptive shipping patterns	False-flag shadow vessels were still active in December 2025, January 2026, and February 2026	Sanctions have pushed adaptation into legally and operationally inferior forms rather than preserving normal transport conditions
Narrowing of EU–Russia trade density	Eurostat reports that between Q1 2022 and Q4 2025 EU exports to Russia fell by 61% and imports by 90%	The transport regime has contributed to the wider shrinkage of routinised commercial flows between the EU and Russia

Authorship: prepared by the author on the basis of official EU package materials and sector-specific guidance.

Sources:

- Centre for Research on Energy and Clean Air. (2026, January 13). *December 2025 — Monthly analysis of Russian fossil fuel exports and sanctions.*
- Centre for Research on Energy and Clean Air. (2026, February 18). *January 2026 — Monthly analysis of Russian fossil fuel exports and sanctions.*
- Centre for Research on Energy and Clean Air. (2026, March 12). *February 2026 — Monthly analysis of Russian fossil fuel exports and sanctions.*
- Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions.*
- European Commission. (n.d.). *Sanctions on transport.*
- Council of the European Union. (2025, February 24). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures.*
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, May 20). *EU adopts 17th package of sanctions against Russia.*
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, July 18). *EU adopts 18th package of sanctions against Russia.*
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, October 23). *EU adopts 19th package of sanctions against Russia.*
- Eurostat. (2026). *EU trade with Russia — latest developments.*

A ninth structural effect is the shrinking density of ordinary EU–Russia commercial movement. Eurostat reports that between the first quarter of 2022 and the fourth quarter of 2025, EU exports to Russia fell by 61% and EU imports from Russia fell by 90%, while Russia's share in extra-EU exports dropped from 3.2% to 1.2% and its share in extra-EU imports from 9.2% to 1.0%. These figures cannot be attributed to transport sanctions alone, since they reflect the cumulative effect of the wider sanctions' regime. However, they are directly relevant to the transport and logistics block because reduced trade density also means reduced movement density. The fewer routinised trade flows remain, the less Russia can

rely on formerly normal transport channels linking it to the European market. This is strategically significant because sanctions often become more sustainable once prior commercial interdependence has already been substantially reduced. In that sense, the transport regime has contributed not only to coercive pressure on Russia, but also to the de-normalisation of the very routes and infrastructures through which such pressure might otherwise have been reversed.

A tenth advantage is that the transport-and-logistics block has acquired a signalling function alongside its coercive one. The repeated addition of vessels, the widening of infrastructure bans, the extension towards third-country ports, and the growing attention to registries, insurers, and road-ownership structures all communicate that the EU does not treat sanctions circumvention as a temporary irritant. It treats it as a continuing operational battlefield. This matters because transport systems are highly adaptive. If market actors believe that workaround routes will soon become safe or normalised, they will continue investing in them. By maintaining rolling pressure on vessels and infrastructures, the EU raises the political and commercial uncertainty surrounding such investments. The effect is to make sanctions-evasion logistics less predictable, less bankable, and less attractive as a stable long-term business model. That signalling value is itself an advantage, because it shapes expectations as well as present conduct.

Taken together, the advantages and structural effects of EU transport and logistics sanctions can be summarised as follows. They have removed Russia from routine access to key elements of the European transport space, degraded the maintainability of aviation assets dependent on Western ecosystems, transformed maritime transport into a major enforcement arm of energy sanctions, pushed a growing share of Russian oil logistics into more opaque and risky channels, and helped narrow the density of ordinary EU–Russia commercial movement. They have also converted transport sanctions from a set of sector-specific bans into a dynamic anti-circumvention regime directed at vessels, infrastructures, routes, and service ecosystems. This does not mean that Russia has lost the ability to move goods or monetise exports. It means, rather, that the conditions under which it does so have become less efficient, less legitimate, less transparent, and more vulnerable to further disruption. That is precisely the type of structural effect a sophisticated transport-sanctions regime is meant to produce.

3.2.4.4. Limitations, Shadow Fleet, and Near-Term Effectiveness Outlook

The limitations of the EU’s transport and logistics sanctions against Russia stem from the fact that transport is the most adaptive layer of the wider sanctions’ environment. Financial restrictions can freeze access to capital, and export controls can prohibit listed goods, but logistics can be reorganised through rerouting, flag changes, ship-to-ship transfers, intermediated ownership, altered documentation, and the use of non-EU infrastructures. For that reason, transport sanctions are rarely judged by whether they stop movement altogether. Their real test is whether they can make sanctioned movement slower, more expensive, less insurable, less transparent, and more vulnerable to repeated disruption. The EU has clearly succeeded in moving the regime in that direction, especially in maritime transport. At the same time, the continuing scale of Russian seaborne exports and the rapid growth of shadow-fleet practices demonstrate that transport sanctions remain a field of contested enforcement rather than closed interdiction. The transport block is therefore structurally strong, but inherently porous. Its effectiveness depends less on the formal existence of bans than on the quality of monitoring, designation, port-state control, insurance pressure, and coordination with third countries.

A first limitation is legal and operational rather than purely political. Even the targeted-vessels regime contains safety-based exceptions. The Commission’s FAQ on Article 3s states that a listed vessel carrying dangerous or polluting goods, including oil or LNG, may exceptionally receive port access and services for a unique emergency port call, subject to a competent authority’s assessment, for the offloading of those goods within a reasonable time and in any case not later than 30 days from the date of targeting. The same FAQ also notes that a 60-day wind-down period may exceptionally be justified where objective factors such as voyage timelines or the need to replace critical EU services make a safe and orderly transition necessary. These provisions are entirely rational from the standpoint of maritime

safety and environmental protection. Yet they also show why transport sanctions cannot operate as an absolutely sealed regime. The law must leave space for emergency response, pollution prevention, and safe replacement of critical services, and that necessary flexibility creates bounded rather than total exclusion.

A second limitation is that parts of the infrastructure-transaction regime are deliberately non-universal. The Commission's FAQ on the infrastructure transaction ban states that transactions with listed Russian ports and locks are exempt in several cases, including those necessary for the purchase, import or transport of agricultural and food products, fertilisers, natural gas, titanium, aluminium, copper, nickel, palladium, iron ore, and certain oil transactions compliant with the Regulation. It further states that EU sanctions do not apply extraterritorially and that other Russian ports not listed in Annex XLVII can still be used for transit to third countries or for import into the Union where the goods are not otherwise restricted. These exemptions are policy choices intended to avoid unnecessary harm to food security, energy security, and legitimate trade. However, they also define the outer edge of transport sanctions. The regime narrows the logistics field, but it does not and legally cannot prohibit every transaction, every route, or every port-linked interaction. That means the transport block will always remain partly dependent on careful targeting rather than universal closure.

The most visible practical limitation is the persistence and scale of the shadow fleet itself. By the 19th package in October 2025, the number of listed shadow-fleet vessels had reached 557, and in December 2025 the Council added a further 41 vessels, raising the total to 598. This is a major enforcement achievement in formal terms. Yet it also reveals the scale of the underlying problem. A sanctions system does not need to list hundreds of vessels unless a large and durable workaround ecosystem has already emerged. The repeated expansion of the vessel list therefore shows both strength and constraint: strength, because the EU keeps widening the perimeter of pressure; constraint, because the maritime workaround architecture has proved capable of reproducing itself across time, flags, owners, registries, and routes. In other words, transport sanctions have moved from one-off exclusion to rolling pursuit, but the need for rolling pursuit is itself evidence that the shadow-fleet phenomenon remains structurally resilient.

That resilience is confirmed by current transport data. CREA's February 2026 monthly analysis reports that G7+ tankers transported only 33% of Russian crude exports in February, while 11% was carried by non-sanctioned shadow tankers and the largest share, 56%, by sanctioned shadow tankers. The same analysis states that 63 shadow vessels were operating under false flags at the end of the month and that just under a quarter of the volume of Russian oil carried by tankers flying false flags transited the Danish Straits in February. CREA also notes that Russia has built a large shadow fleet carrying the majority of crude exports and argues that this shift has reduced Russia's reliance on Western services. These figures are analytically decisive. They show that the maritime sanctions regime has not stopped Russian crude from reaching global buyers. Instead, it has forced a large part of that trade into opaquer and risk-bearing transport channels. That is meaningful pressure, but it is not full interdiction.

A related limitation is that the price-cap-and-transport strategy has imposed discounts and friction more effectively than it has reduced physical export volumes. CREA's four-years-of-invasion assessment states that Russian fossil-fuel export volumes remained 6% above pre-invasion levels and argues that G7+ sanctions on the shadow fleet have failed to cut supplies even while forcing deeper price discounts on Russian oil sales. The same assessment reports that China, India, and Türkiye accounted for 93% of Russia's crude exports in the period examined. This combination matters. It suggests that transport sanctions have changed the commercial quality of Russian exports more than their absolute presence on the market. Russia continues to move crude in substantial quantities, but it does so through a narrower buyer base, a riskier tanker pool, and a more discount-dependent revenue model. That is a genuine strategic effect, but it also defines the ceiling of current performance. The transport regime is constraining monetisation more than mobility itself.

There is also a safety and environmental paradox built into the shadow-fleet problem. CREA reports that in February 2026, 36 shadow tankers carrying Russian oil were at least 20 years old and that the oldest vessel transporting Russian oil that month was 35 years old. It further states that these older shadow tankers pose environmental and financial risks because of age, poor maintenance, and inadequate protection and indemnity insurance, and notes that an estimated EUR 75 million worth of Russian oil was transferred through ship-to-ship transfers in EU waters in February, all of it in Cyprus or Spain. This matters in two ways. First, it strengthens the policy argument for maintaining and tightening transport sanctions, because the shadow fleet is not only a sanctions-evasion tool but also a maritime-risk problem for Europe's waters. Secondly, it limits the way sanctions can be enforced in practice, because port authorities and coastal states must still prioritise safety, pollution prevention, and emergency management when dangerous cargoes are involved. In short, the more sanctions push Russian oil into aged and opaque shipping, the stronger the rationale for pressure becomes, but the more carefully enforcement must also be calibrated against maritime-safety obligations.

Table 3.2.4.4-1. Main limitations affecting the EU transport-and-logistics sanctions regime against Russia

Limitation	Practical manifestation	Why it constrains effectiveness	Existing EU response
Safety-based legal exceptions	Emergency port access and limited wind-down for targeted vessels carrying dangerous cargoes	Prevents absolute exclusion of listed vessels in all circumstances	Article 3s targeted-vessels regime with narrowly defined emergency handling
Non-universal infrastructure bans	Exemptions for food, fertilisers, gas, certain metals, and compliant oil transactions; non-listed ports remain usable	Leaves residual legal routes for some transactions and transit	Listed-port/lock transaction ban under Article 5ae
Shadow-fleet scale	557 listed vessels by October 2025, then 598 after December 2025	Large workaround ecosystem persists despite repeated designations	Successive vessel-list expansions across 2024–2025
False-flag and opaque routing	63 false-flag shadow vessels at end-February 2026; continued transit via the Danish Straits	Makes vessel identification and accountability harder	Vessel targeting, flag-state outreach, reinsurance restrictions
Continued physical exportability of crude	Russian export volumes remained above pre-invasion levels in CREA's four-year view	Pressure falls more on margin and monetisation than on total supply	Oil-cap-related transport measures and shadow-fleet targeting
Extraterritorial limits	EU infrastructure transaction bans do not apply extraterritorially	Reduces direct control over third-country nodes and operators	Expansion towards third-country enabling ports and diplomacy with partner states

Authorship: prepared by the author on the basis of official EU package materials and sector-specific guidance.

Sources:

- European Commission. (n.d.). *Sanctions on transport*. European Commission.
- Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*. Consilium.
- Council of the European Union. (2025, December 18). *Russia's war of aggression against Ukraine: Council sanctions 41 vessels of the Russian shadow fleet*. Consilium.
- Centre for Research on Energy and Clean Air. (2026, February 24). *Fourth year of full-scale invasion: Russian fossil fuel exports continue above pre-invasion levels despite sanctions*. CREA.
- Centre for Research on Energy and Clean Air. (2026, March 12). *February 2026 — Monthly analysis of Russian fossil fuel exports and sanctions*. CREA.

A further limitation is that the transport regime remains partly bounded by the non-extraterritorial character of EU law. The Commission's infrastructure FAQ explicitly states that the transaction ban does not cover transactions between third-country nationals or entities and listed Russian ports and airports

because the scope of application of the sanctions' regulation is defined by Article 13 and EU sanctions do not apply extraterritorially. This matters because much of the current adaptation in Russian logistics occurs precisely through non-EU entities, non-EU registries, non-EU ports, and non-EU service chains. The EU can ban access to its own ports, prohibit services by EU operators, and target identified vessels or enablers. It cannot by itself fully govern all third-country transactions that sustain Russian logistics. This legal boundary is one reason why transport sanctions now depend increasingly on diplomatic outreach, intelligence-sharing, and coordination with partner governments and flag states rather than on EU legislation alone.

The near-term outlook for 2026–2027 is therefore conditionally favourable rather than automatically strong. Several developments support a stronger phase. The 19th package introduced a ban on reinsuring shadow-fleet vessels, which directly attacks their insurability and therefore their commercial viability. The Commission's REPowerEU roadmap also states that the EU will take action to address Russia's shadow fleet transporting oil and aims to stop Russian oil imports by the end of 2027. In addition, CREA explicitly argues that sanctioning countries need to align their vessel lists and enforcement paradigms for a magnified effect on shadow-fleet operations. Taken together, these signals suggest that the next phase of the transport regime will rely less on basic access restrictions and more on convergence across listings, insurance pressure, registry control, and partner-state cooperation. If these instruments tighten in a coordinated way, the regime's practical impact on Russian oil logistics could deepen substantially.

At the same time, the same evidence warns against any expectation of near-term collapse in Russian transport capacity. CREA's February 2026 analysis states that the price cap has neither constrained export volumes nor prevented Russia from selling crude above the cap through alternative logistics and buyers, while the four-year assessment shows that the largest crude buyers remain China, India, and Türkiye. That means the decisive variable for 2026–2027 is not whether demand for Russian crude exists; it clearly does. The decisive variable is whether the EU and its partners can make the transport channels serving that demand progressively more fragile, more sanction-exposed, and more commercially unattractive. The transport regime is therefore entering a phase in which enforcement quality matters more than formal package count. Further listings alone will help, but their effect will depend on how consistently ports, insurers, registries, classification bodies, and service providers act on them.

Table 3.2.4.4-2. Near-term effectiveness outlook for EU transport-and-logistics sanctions, 2026–2027

Driver	Effect on effectiveness	Why it matters
Alignment of EU, UK, and wider G7+/partner vessel lists	Positive if strengthened	Reduces the space for vessels to arbitrage inconsistent designation regimes
Enforcement of reinsurance and service bans	Potentially strongly positive	Hits the commercial viability of shadow-fleet operations rather than only port access
Pressure on false-flag practices and registry shopping	Positive	Makes opaque routing less scalable and more legally exposed
Outreach to flag states and third-country ports	Positive but politically dependent	Necessary because EU law does not apply extraterritorially
Monitoring of STS transfers and AIS manipulation	Positive if intensified	Targets the actual operational behaviours used for sanctions evasion
Safety and environmental contingencies	Negative constraint	Emergency and pollution-prevention exceptions will remain unavoidable
Persistence of non-EU demand for Russian crude	Negative constraint	Ensures that transport sanctions must keep fighting rerouting rather than assuming market disappearance

Authorship: prepared by the author on the basis of official EU package materials and sector-specific guidance.

Sources:

- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, June 30). *Frequently asked questions on targeted vessels concerning sanctions adopted following Russia's military aggression against Ukraine*. European Commission.
- European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. (2025, September 8). *Frequently asked questions on infrastructure transaction ban concerning sanctions adopted following Russia's military aggression against Ukraine*. European Commission.
- European External Action Service / Council of the European Union data note. (2025, December 5). *Implementation note on the 19th package of sanctions and the Russian shadow fleet*.
- European Commission. (n.d.). *Sanctions on transport*. European Commission.
- European Commission. (n.d.). *REPowerEU*. European Commission.
- Centre for Research on Energy and Clean Air. (2026, February 24). *Fourth year of full-scale invasion: Russian fossil fuel exports continue above pre-invasion levels despite sanctions*. CREA.
- Centre for Research on Energy and Clean Air. (2026, March 12). *February 2026 — Monthly analysis of Russian fossil fuel exports and sanctions*. CREA.

The most defensible overall judgement is that EU transport and logistics sanctions are likely to become more effective in 2026–2027, but chiefly as an attritional system of degradation rather than as a mechanism of outright stoppage. They are unlikely to eliminate Russian maritime workaround capacity in the near term. They can, however, continue to erode the quality of that capacity by forcing it into older vessels, false flags, weaker insurance, narrower port options, and more complex service substitution. In that sense, the transport block should be evaluated by whether it makes Russian logistics more brittle, more dangerous, and more expensive, not by whether it stops every cargo. The evidence available by March 2026 suggests that this process is already underway. The shadow fleet remains active, but it is now a sanctioned, visible, and increasingly burdened system rather than an invisible bypass. That is a meaningful, if incomplete, success and provides the best basis for expecting further gains if enforcement remains coordinated and persistent.

3.3. Prospectiveness of Economic Sanctions (2026–2030)

3.3.1. Purpose, Scope, and Evaluative Assumptions (2026–2030 Outlook)

This subsection defines the purpose, analytical scope, and evaluative assumptions for the 2026–2030 outlook on the prospectiveness of economic sanctions against the Russian Federation. Within this report, “prospectiveness” is treated as conditional effectiveness over time: the extent to which economic sanctions can remain operationally implementable, legally robust, coalition-manageable, and strategically useful under plausible future conditions. The objective is not to present sanctions as an autonomous lever capable of delivering a predictable strategic reversal by itself, but to assess whether the sanctions architecture can continue to generate structural pressure that constrains war-enabling capacity and reduces long-run growth and modernisation potential. This framing reflects the reality that the Russia sanctions regime is now a mature, multi-year system whose effects operate through cumulative constraints, adaptation costs, and governance tempo rather than through a single shock event. The 2026–2030 horizon is therefore analysed as a policy cycle in which sustainability, enforcement density, and adaptation management are decisive variables. The purpose of this outlook is to provide a disciplined basis for later calibration: identifying where continuation remains high-value, where diminishing marginal returns are likely, and which enforcement and measurement capacities must be protected to prevent effectiveness decay.

The scope of Section 3.3 covers the economic sanctions domain as structured in Part 3.2: (1) financial sanctions and the banking sector; (2) energy sanctions; (3) trade-industrial and technological

restrictions; and (4) transport and logistics measures. These domains are assessed as a connected system rather than as separate silos, because the economic sanctions track functions through cross-domain transmission channels. Finance constrains trade settlement and procurement; export controls constrain industrial capability and military production; energy measures shape fiscal capacity and external balances; transport and insurance restrictions shape the physical feasibility and cost of trade and shadow logistics. Accordingly, Section 3.3 does not re-list the full measure inventory already presented in 3.2; instead, it synthesises the design and implementation findings to evaluate forward-looking viability. The analysis focuses on the regime’s operating range: where it can plausibly maintain structural pressure, where it will face growing circumvention leakage, and where governance constraints (coalition throughput, data availability, enforcement capacity) will set the effective ceiling. The scope explicitly includes the interaction between domains because effectiveness increasingly depends on how well sanctions are integrated and reinforced across the system-of-systems architecture.

Methodologically, the 2026–2030 outlook is built on a structural pressure model in which sanctions operate through capability ceilings, transaction friction, and compliance gravity, rather than through immediate trade stoppage alone. This model implies that headline indicators such as total export values or GDP growth are insufficient on their own: a target can maintain headline flows while suffering increased discounts, longer routing, higher insurance premiums, reduced technology access, and higher financing costs that degrade long-run capacity. Therefore, prospectiveness is assessed through the durability of key constraint channels: (1) the ability to restrict access to high-trust finance and services; (2) the ability to deny critical technologies and dual-use inputs; (3) the ability to reduce war-relevant rent capture from energy exports; and (4) the ability to constrain scalable logistics and shadow fleet corridors. The model also assumes that the war economy can stabilise temporarily through administrative controls and substitution, but that stabilisation can occur at the cost of efficiency, investment quality, and technological depth. Consequently, “resilience” in short periods does not refute structural pressure; it changes the locus of pressure to long-run capability degradation and higher future vulnerability. The outlook therefore treats time dynamics as central: the question is whether constraints remain binding as adaptation evolves.

A key evaluative assumption is that the sanctions regime faces an enduring adaptation and substitution environment. Over 2026–2030, Russia and affiliated networks are expected to continue re-routing through third countries, shifting settlement currencies, building shadow logistics capacity, using proxy ownership structures, and exploiting enforcement variance between jurisdictions. This implies that prospectiveness is not the same as maximal coverage; it is the ability to sustain pressure under adaptation. In practical terms, the regime must be evaluated against its capacity to raise the marginal cost of each adaptation step and to reduce the scalability of circumvention corridors. Where adaptation reduces visibility (e.g., currency substitution or third-country re-exports), the key question becomes whether the EU can maintain enforcement tempo through bridge-node targeting and anti-circumvention engineering. This also implies that policy throughput becomes part of effectiveness: if package updates and targeting cycles lag behind circumvention cycles, the regime’s operational density decays. Therefore, governance tempo and targeting precision are treated as core variables in the outlook.

A second evaluative assumption is that economic sanctions remain constrained by coalition management and proportionality. The EU’s sanctions regime must be sustained in a pluralistic political environment with heterogeneous exposure across Member States, and with real economic trade-offs in energy, inflation, and supply security. Prospectiveness therefore depends not only on theoretical economic impact, but on whether the coalition can maintain the measures at sufficient density without undermining internal political sustainability. This implies that the most prospectively valuable sanctions are those that deliver high impact per unit of coalition cost—i.e., measures that exploit EU regulatory leverage (finance, insurance, services, high-end technology) and that minimise unnecessary spillover to EU households and strategic industries. It also implies the need for coherent communication and evidence: a regime that cannot demonstrate intermediate effects becomes politically brittle and easier to erode. Consequently, 3.3 treats sustainability as a necessary condition: measures that impose high

internal costs with limited enforceability are less prospectively robust, even if they are symbolically attractive.

A third assumption is that the evidence base for Russia-related economic analysis remains asymmetric and partly degraded, requiring systematic triangulation. Post-2022, certain Russian disclosures have become less transparent or less comparable, while third-party datasets have become more critical for audit-ready analysis. As a result, the outlook adopts an explicit evidence strategy: use internationally comparable sources as baseline (IMF, World Bank, BIS, Eurostat, UN Comtrade, IEA where applicable), supplement with reputable independent analytical institutions (e.g., Bruegel, CREA, KSE Institute for energy flows and price-cap analysis where relevant), and use Russian sources cautiously and comparatively where they provide unique information. This approach is not a normative stance. It is a methodological safeguard against definitional instability and selective disclosure. It also supports enforcement analysis: circumvention and re-routing are best detected by comparing mirror statistics and anomalies across partner datasets rather than relying on a single domestic narrative. Accordingly, 3.3 is designed to be evidence-driven, with an emphasis on intermediate metrics and cross-source consistency.

In terms of outputs, 3.3 is designed to support four downstream functions in the report. First, it provides a scenario-aware assessment of which economic sanctions channels remain binding and which are likely to weaken through 2030. Secondly, it identifies cross-cutting constraints that shape feasibility: enforcement tempo, third-country corridor closure, capacity for monitoring and targeting, and coalition sustainability. Thirdly, it defines the metrics model to monitor effectiveness across domains, enabling evidence-based adjustments rather than static continuation. Fourthly, it provides a criteria framework for escalation triggers and conditional easing logic in the economic sphere, aligned with the broader policy governance approach used in Part 2. In other words, 3.3 is not a forecast in the narrow sense. It is a policy evaluation scaffold that enables forward calibration. It links the descriptive evidence in 3.2 to a structured judgement about where continuation is strategically justified and where redesign or reinforcement is required.

The section's operational discipline is supported by a structured mapping of economic sanctions functions to indicators and data sources. Table 3.3.1-1 sets out the core strategic functions that economic sanctions should preserve in 2026–2030 and links them to the primary monitoring indicators that will be used in later subsections. This mapping ensures instrument–mechanism alignment and prevents the analysis from drifting towards end-state expectations that the instruments cannot reliably deliver.

Table 3.3.1-1. Economic sanctions (2026–2030)—strategic functions, mechanisms, and monitoring indicators (Analytical framework (this report))

Strategic function to preserve	Primary mechanism (how pressure is transmitted)	Core indicators (examples)	Typical degradation risk (2026–2030)
Fiscal-resource compression	Reduce rent capture; increase discounts and routing costs; constrain revenue usability	Energy export discounts; price-cap compliance proxies; fiscal balance stress indicators	Shadow fleet scaling; third-country blending; services leakage
External financial connectivity constraint	Raise settlement friction; reduce capital access; target bridge nodes	BIS cross-border claims; settlement proxies; risk premia proxies; bank/connectivity events	Third-country bridge banks; currency substitution; fintech rails
Technology and capability denial	Limit access to dual-use and advanced inputs; degrade industrial maintenance	Re-export anomalies; seizure/enforcement cases; import composition shifts	Re-export hubs; misclassification; proxy end-users
Logistics and services friction	Raise transport/insurance costs; reduce scalability of routing	Shadow fleet indicators; insurance/service restrictions; route lengthening	Flag-hopping; STS transfers; documentation manipulation

Strategic function to preserve	Primary mechanism (how pressure is transmitted)	Core indicators (examples)	Typical degradation risk (2026–2030)
Compliance gravity and private-sector de-risking	Intermediary refusal, higher DD, contractual risk pricing	Refusal/de-risking events; higher fees/delays; counterparties exit	Enforcement variance; guidance ambiguity; compliance fatigue
Anti-circumvention closure	Shorten response lag; target facilitators; network disruption	Time-to-update; proxy emergence rates; anomaly detection	Governance tempo lag; data opacity; jurisdictional arbitrage

Authorship: analytical framework (this report) was prepared on the basis of official EU institutional materials, EU legal acts and documents

A second table, Table 3.3.1-2, defines the “data backbone” for 3.3, listing the primary statistical portals and the domains they support. This establishes upfront transparency about how the report will generate the consolidated static tables and the corresponding graphs, and it makes the evidence model audit-ready by ensuring each later table can cite a stable source URL. The tables are therefore not decorative; they are the methodological infrastructure for the 2026–2030 outlook.

Table 3.3.1-2. Data backbone for Section 3.3—primary statistical portals and analytical sources (URLs)

Domain	Primary international statistical sources	Primary enforcement / policy sources	High-trust analytical sources (as supplements)
Finance & banking	IMF Data: https://www.imf.org/en/Data ; World Bank Data: https://data.worldbank.org ; BIS Banking Statistics: https://www.bis.org/statistics/banking.htm	EUR-Lex (legal acts): https://eur-lex.europa.eu ; Commission sanctions page/FAQs: https://finance.ec.europa.eu	IMF analytical notes; selected central bank/FSB/BIS analytical outputs
Energy	IEA: https://www.iea.org/data-and-statistics ; Eurostat: https://ec.europa.eu/eurostat ; UN Comtrade: https://comtradeplus.un.org	Council/Commission sanctions communications: https://www.consilium.europa.eu ; https://finance.ec.europa.eu	Bruegel: https://www.bruegel.org ; CREA: https://energyandcleanair.org ; KSE Institute: https://kse.ua
Trade/technology/export control	UN Comtrade: https://comtradeplus.un.org ; Eurostat COMEXT: https://ec.europa.eu/eurostat	EU sanctions legal acts and guidance: https://eur-lex.europa.eu ; https://finance.ec.europa.eu	OECD trade data (select): https://data.oecd.org ; reputable enforcement case repositories (where available)
Transport & logistics	Eurostat (transport): https://ec.europa.eu/eurostat ; UN Comtrade (trade-routing proxies): https://comtradeplus.un.org	Council/Commission measures & notices: https://www.consilium.europa.eu ; https://eur-lex.europa.eu	Specialist tracking (e.g., shadow fleet) from high-trust institutions as available

Authorship: analytical framework (this report) was prepared on the basis of official EU institutional materials, EU legal acts and documents

Source:

- Official websites of the listed institutions (URLs as shown in-table).

Finally, this subsection defines the central evaluative question for 3.3: whether the economic sanctions regime can remain structurally binding, enforceable, and coalition-sustainable through 2030 in an environment of adaptation, third-country intermediation, and data constraints. This question is deliberately framed around sustainable pressure rather than maximum breadth. It reflects the practical reality that the most effective long-horizon sanctions regimes are those that remain coherent, measurable, and continuously maintained, with a clear linkage between measures, mechanisms, and indicators.

3.3.2. Strategic Functions to Preserve in the Economic Track

The prospectiveness of economic sanctions over 2026–2030 depends on whether the EU and partners can preserve a set of strategic functions that remain valuable regardless of short-term fluctuations in Russia’s macro indicators or temporary stabilisation episodes. Economic sanctions are most effective when they operate as a coherent system of structural pressure: they constrain the target’s ability to finance war activity, acquire and maintain critical technologies, and sustain scalable trade and logistics routes at acceptable cost and risk. The strategic question is therefore not whether sanctions can reduce every revenue stream or halt all trade, but whether they can continue to deliver persistent constraints on capability, optionality, and scalability. In a mature sanctions’ regime, this requires prioritising high-leverage channels—finance, insurance and services, advanced technology inputs, and energy rent capture—and maintaining an anti-circumvention posture that prevents substitution corridors from becoming stable and low-cost. Preserving these functions is also essential for coalition sustainability: a sanctions regime that can demonstrate durable intermediate effects is easier to maintain politically than one that relies on abstract claims of future impact. Accordingly, this subsection defines the functions that should be treated as non-negotiable outputs of the economic track and explains why they remain strategically relevant through 2030.

A first strategic function to preserve is fiscal-resource compression and war-financing constraint. Russia’s war capacity depends on the state’s ability to mobilise fiscal resources and to convert external revenues into usable purchasing power for procurement and industrial mobilisation. Economic sanctions need not eliminate revenue generation to be effective; they must reduce net rent capture and increase the cost of converting export revenues into war-relevant capability. Energy sanctions are central here, but the function is cross-domain: financial restrictions raise settlement and conversion costs; technology restrictions raise the cost of retooling and maintenance; transport restrictions raise the cost of exports and imports; and enforcement actions against facilitators reduce the scalability of procurement. Over 2026–2030, this function should remain a strategic priority because it directly targets the sustainability of the war economy model: the more expensive and less efficient the war-funding system becomes, the greater the long-run constraint on military production, mobilisation capacity, and macro stability. The operational benchmark is not a single fiscal collapse event; it is persistent pressure on the state’s capacity to sustain extraordinary expenditures without degrading stability or exhausting buffers.

A second function to preserve is external financial connectivity constraint, which underpins the entire sanctions architecture. Financial sanctions operate as an infrastructure layer: they raise transaction friction, compress the set of reliable correspondent and service relationships, and increase risk premia across trade and investment. This function remains essential through 2030 because adaptation will continue to rely on third-country financial intermediaries, currency substitution, and fintech/crypto rails. Preserving external financial connectivity constraints means keeping the “bridge architecture” costly and unstable: preventing scalable, low-risk settlement corridors from emerging and keeping compliance gravity high enough to discourage facilitation. This is strategically important because many other measures—export controls, services restrictions, transport bans—are weakened if payments and trade finance can be routed cheaply and reliably. Conversely, even partial financial constraints can materially reduce the scalability of circumvention and the efficiency of procurement networks. The preservation task therefore includes continuous anti-circumvention targeting, partner alignment where feasible, and harmonised implementation to reduce soft spots.

A third function to preserve is technology denial and long-run capability degradation. The most durable economic effect of sanctions in a modern, complex economy is often not immediate trade disruption but the imposition of a capability ceiling: reduced access to advanced electronics, machine tools, specialised software, energy extraction technology, aviation parts, and other critical inputs that sustain modernisation and military-industrial production. Over 2026–2030, this function remains strategically

central because it compounds over time: maintenance backlogs, quality degradation, and substitution into inferior inputs gradually reduce the efficiency and reliability of complex systems. The objective is not to eliminate production across the board; it is to make advanced production more expensive, slower, and less scalable, thereby reducing the long-run growth and war-sustaining potential of the economy. Preserving this function requires persistent enforcement against re-export hubs, improved end-use controls, and integration with financial and logistics measures that constrain procurement networks. The key risk is leakage through third-country corridors and misclassification; therefore, this function must be preserved through coordinated anomaly detection and rapid response.

A fourth strategic function to preserve is logistics and services friction, particularly in maritime shipping, insurance, and trade-support services that enable energy exports and re-exports. Transport and logistics measures can impose systemic cost inflation: longer routes, higher insurance premiums, reliance on shadow fleets, and increased exposure to disruptions and accidents. This function is strategically important because logistics is a multiplier: increased cost and unreliability propagate across the economy and directly affect the feasibility of sustaining large-scale export and import flows. Over 2026–2030, preserving logistics friction means focusing not only on flagging and vessels, but on the services and intermediaries that make routing scalable—insurance, brokering, port services, classification and certification, and ship management. The “shadow fleet” dynamic illustrates both the importance and the vulnerability of this function: circumvention can grow, but it tends to do so through higher-risk and higher-cost corridors that can be targeted through service-layer restrictions and enforcement. Therefore, preserving this function requires maintaining the service-denial perimeter and closing the corridors that allow shadow logistics to become normalised and low-risk.

A fifth function to preserve is compliance gravity and private-sector de-risking, which amplifies sanctions effects beyond what public enforcement can achieve alone. In the modern sanctions’ environment, much of the practical constraint is generated by banks, insurers, commodity traders, and logistics firms internalising risk and reducing exposure. Compliance gravity creates persistent friction: higher due diligence burdens, slower onboarding, higher fees, greater refusal probability, and reduced availability of high-trust services. This function is strategically valuable because it is durable and scalable: it leverages the EU’s regulatory and market gravity to shape private behaviour, including among actors outside the EU who depend on EU-linked services. Preserving compliance gravity requires clarity and consistency: ambiguous rules or inconsistent enforcement weaken private-sector risk discipline and create arbitrage spaces. It also requires credible enforcement signals so that de-risking remains rational from the perspective of intermediaries. Over 2026–2030, preserving this function will be increasingly important because circumvention networks will seek to exploit any softness in compliance posture; maintaining high compliance gravity is a core defence against such exploitation.

A sixth function to preserve is anti-circumvention closure and governance tempo, which has become the decisive determinant of marginal effectiveness in a mature regime. As the Russia sanctions architecture has evolved, the key vulnerabilities have shifted to third-country corridors, proxy ownership, re-export hubs, and shadow logistics. Preserving effectiveness therefore requires the EU to shorten the lag between circumvention emergence and policy response. This includes typology-driven targeting of facilitators, rapid updates to lists and service restrictions, and data fusion across customs, financial intelligence, and corporate registries. Governance tempo also includes coalition throughput: the ability to adopt packages and implementing acts at a pace that reduces arbitrage windows. Without this tempo, even well-designed measures become porous over time. Consequently, anti-circumvention closure is not a subsidiary function; it is the enabling function that preserves all others. It is particularly important in the financial, energy, and logistics domains, where substitution corridors can be scaled quickly and where monitoring is inherently complex.

These strategic functions can be mapped as a cross-domain transmission system that shows how each sanctions block reinforces the others. Table 3.3.2-1 provides such a mapping, linking each function to the primary sanctions domains and indicating where cross-domain integration yields the highest returns. The value of this mapping is operational: it identifies where preservation efforts should be

concentrated. For example, (1) maintaining energy rent compression requires not only price-cap and shipping constraints, but also financial enforcement and insurance-service restrictions; (2) maintaining export-control effectiveness requires trade-finance constraints and logistics monitoring; and (3) maintaining financial constraint requires targeting third-country bridge operators that also support trade and energy settlement. This cross-domain logic is the core reason economic sanctions remain prospectively valuable through 2030: their effectiveness is not additive but multiplicative when domains are integrated.

Table 3.3.2-1. Economic sanctions (2026–2030): strategic functions to preserve and cross-domain reinforcement map

Strategic function	Primary sanctions domains delivering the function	Key cross-domain reinforcement links	Highest-value preservation lever (2026–2030)
Fiscal-resource compression	Energy; finance; transport	Price-cap + shipping/insurance + settlement constraints	Tighten service-layer controls (insurance/ship mgmt) and bridge-node finance targeting
External financial connectivity constraint	Finance; services	Supports export controls and energy enforcement by restricting payment and trade finance	Target third-country bridge banks/providers; harmonise implementation; high-tempo updates
Technology denial / capability ceiling	Export controls; services	Reinforced by finance (trade finance) and logistics (routing constraints)	End-use enforcement; re-export anomaly detection; facilitator listings
Logistics and services friction	Transport/logistics; services	Reinforces energy rent compression and export-control closure	Shadow fleet monitoring; sanctions on operators and service providers
Compliance gravity (de-risking)	Finance; insurance; platforms	Multiplies effects across all domains via private refusal and risk pricing	Guidance clarity; enforcement signals; consistent Member State practice
Anti-circumvention closure & tempo	All domains	Enables sustained pressure by reducing arbitrage windows	Rapid typology-to-measure pipeline; data fusion; partner coordination

Authorship: analytical framework (this report) was prepared by author on the basis of official EU institutional materials, EU legal acts and documents

In summary, the economic sanctions track remains prospectively valuable through 2030 if it continues to preserve six strategic functions: fiscal-resource compression, external financial connectivity constraint, technology denial and capability degradation, logistics and services friction, compliance gravity, and anti-circumvention closure with sufficient governance tempo. These functions define the “operating range” of the sanctions system: they do not require absolute trade stoppage, but they do require sustained pressure and continuous maintenance to prevent substitution corridors from becoming stable and low-cost.

3.3.3. Scenario Frame for 2026–2030

A forward-looking assessment of the prospectiveness of economic sanctions over 2026–2030 requires an explicit scenario frame, because the sanctions regime’s effectiveness is highly contingent on the evolution of the war, the intensity of Russia’s adaptation and circumvention activity, and the coalition’s political throughput capacity. Economic sanctions do not operate in a vacuum: they interact with energy-market conditions, third-country corridor dynamics, domestic political cycles within Member States, and the availability (or absence) of verifiable behavioural change by the target state. Without scenarios, the analysis risks either assuming a static environment—thereby underestimating the tempo

of circumvention and market substitution—or treating any change in indicators as proof of success or failure without a disciplined reference structure. The scenario approach used here is pragmatic: it does not claim predictive certainty; it provides a structured basis for calibrating the economic sanctions’ track under three plausible trajectories—baseline continuation, escalation, and partial de-escalation—while preserving the strategic functions identified in Section 3.3.2. Each scenario is defined by the likely direction of key variables: conflict intensity, sanctions-evasion tempo, coalition cohesion, and the feasibility of conditional adjustment. The purpose is to map how the economic sanctions mix should respond to remain binding, enforceable, and politically sustainable through 2030.

Scenario A:

Baseline continuation (protracted conflict, sustained adaptation, and mature circumvention corridors). In the baseline scenario, the war remains unresolved, Russia sustains a war-economy posture, and hybrid pressure continues at a steady but adaptive level. Economic sanctions remain in place, and the target continues to re-route through third-country corridors, expand shadow logistics, and increase the share of non-EUR/non-USD settlement. Coalition cohesion remains broadly intact, but policy throughput is constrained by domestic political cycles, cost-of-living sensitivity, and the governance burden of a long sanctions regime. Under this scenario, prospectiveness depends primarily on the EU’s capacity to sustain structural pressure under adaptation: preserving energy rent compression (through price-cap and service-layer enforcement), maintaining finance constraints by targeting bridge nodes, keeping export controls binding through re-export monitoring and end-use enforcement, and preventing the shadow fleet from becoming a stable low-risk alternative. The baseline strategy therefore prioritises anti-circumvention closure and governance tempo. Measures that deliver high impact per unit of coalition cost—finance, insurance/service restrictions, and high-end technology denial—remain the “best value” levers. The principal risk is gradual effectiveness decay through corridor normalisation: third-country intermediaries become routinised, enforcement lag widens, and marginal returns diminish unless the regime is continuously maintained.

Scenario B:

Escalation (renewed intensification of aggression and/or accelerated circumvention and shadow infrastructure). In the escalation scenario, Russia increases the scope or intensity of aggression, and/or significantly intensifies sanctions evasion through expanded third-country corridors, faster growth of shadow fleet capacity, or systematic re-export networks for restricted goods. In economic terms, escalation may also be triggered by Russia’s efforts to stabilise war financing through new fiscal instruments, deeper integration of parallel settlement systems, or more aggressive attempts to circumvent the price cap. Under escalation, the role of economic sanctions shifts from “maintenance” to active tightening and denial, with a higher tempo and more explicit targeting of facilitators and enabling services. The most prospectively effective response is not necessarily broader blanket bans, but faster and more precise restrictions that close the most scalable corridors: transaction bans against high-volume third-country financial operators, tighter service-layer restrictions in shipping and insurance, faster designation cycles for shadow fleet operators, and more aggressive enforcement against re-export hubs and procurement networks. However, escalation also increases governance risks: measures must remain legally robust and politically sustainable to avoid coalition fragmentation, and market risks (energy-price spikes, supply shocks) become more salient. Therefore, prospectiveness under escalation depends on the EU’s ability to run a high-tempo governance cycle—rapid updates, integrated cross-domain enforcement, disciplined communications—and to mitigate internal cost risks through compensatory policies and coordination with partners.

Scenario C:

Partial de-escalation (verifiable change enabling conditional adjustment without normalisation). In the partial de-escalation scenario, there is a demonstrable and verifiable change in baseline conditions—such as a sustained reduction in hostilities, verified compliance with specific security arrangements, or other measurable changes that create a policy space for conditional adjustment. This scenario does not

imply immediate normalisation or broad lifting; it implies the emergence of a sanctions' governance environment in which conditionality and reversibility become central. Under de-escalation, economic sanctions remain prospectively valuable primarily as a structured conditionality system: measures can be calibrated in a sequenced and reversible way to incentivise verifiable steps while maintaining deterrence and snapback capability. In this scenario, the highest-risk error is premature easing that restores scalable corridors (finance bridges, energy service layers, technology inputs) faster than verification can confirm sustained behavioural change. Therefore, the de-escalation strategy should maintain the binding elements that preserve capability ceilings—export controls, high-risk services restrictions, and anti-circumvention tools—while allowing carefully defined adjustments only where verifiable conditions are met and monitoring capacity is sufficient. In practice, any adjustment should be narrower and more reversible in finance and technology than in lower-risk trade domains, because the restoration of high-trust financial and technological interfaces would be difficult to reverse quickly if political conditions deteriorate.

Across all three scenarios, two cross-cutting principles remain constant. First, the core strategic functions to preserve—fiscal-resource compression, external financial connectivity constraint, technology denial, logistics friction, compliance gravity, and anti-circumvention closure—remain relevant through 2030, but their relative priority shifts by scenario. Under baseline, maintenance and corridor closure dominate; under escalation, tempo and targeted denial dominate; under de-escalation, conditionality and reversibility dominate. Secondly, effectiveness is inseparable from governance capacity: the tempo of updates and the integration of measures across finance, energy, export controls, and logistics determine whether sanctions remain structurally binding under adaptation. This is particularly important in the economic track because circumvention corridors can scale quickly and because market conditions can shift abruptly. Therefore, the scenario frame is designed not to predict a single path, but to establish the conditions under which the sanctions regime remains prospectively valuable and the conditions under which redesign or reinforcement becomes necessary.

The practical policy implications of the scenario frame can be summarised in a domain-by-domain impact matrix. Table 3.3.3-1 maps the expected pressure mechanisms and the main degradation risks under baseline, escalation, and partial de-escalation across the four economic sanctions domains (finance, energy, technology/export controls, transport/logistics). This table is intended as an operational tool: it indicates which domain is likely to be the binding constraint in each scenario and where enforcement and measurement resources should be prioritised. It also provides a structured basis for 3.3, which will evaluate prospectiveness domain-by-domain and specify the calibration priorities and evidence indicators relevant to each scenario.

Table 3.3.3-1. Scenario impacts by economic sanctions domain (2026–2030): mechanisms, risks, and priorities

Domain	Baseline continuation: primary binding mechanism	Escalation: priority tightening focus	Partial de-escalation: conditional adjustment logic	Main degradation risk (all scenarios)
Finance & banking	Bridge-node targeting; compliance gravity; settlement friction	Expand transaction bans on bridge banks/providers; faster anti-circumvention	Maintain core constraints; narrowly reversible calibrations only with verification	Third-country corridor normalisation; data opacity; uneven enforcement
Energy	Rent compression via price cap + services denial; shadow fleet pressure	Tighten service-layer enforcement; shadow fleet designations; price- cap policing	Maintain cap structure; adjust only with verifiable compliance and monitoring	Shadow fleet scaling; blending/re-export; insurance/service leakage

Domain	Baseline continuation: primary binding mechanism	Escalation: priority tightening focus	Partial de- escalation: conditional adjustment logic	Main degradation risk (all scenarios)
Technology/export controls	Capability ceiling via dual-use denial and end-use enforcement	Expand enforcement against hubs; accelerate facilitator listings; tighter controls	Preserve capability ceilings; limited easing only with robust monitoring	Re-export hubs; misclassification; proxy end-users
Transport & logistics	Friction via insurance/port/service restrictions; route elongation	Target operators and service providers; tighten STS and flag-hopping enforcement	Maintain core service restrictions; conditional adjustments only with snapback	Shadow logistics normalisation; enforcement lag; jurisdiction arbitrage

Authorship: analytical framework (this report) was prepared by author

3.3.4. Financial Sanctions (2026–2030) — Prospectiveness and Constraints

Over the 2026–2030 horizon, financial sanctions remain one of the most prospectively valuable economic instruments because they operate on the external interface that enables all other sanction-sensitive domains: trade settlement, trade finance, procurement, insurance, and the conversion of export revenue into usable purchasing power. Their strategic utility is structurally stable: even where Russia maintains substantial external balances, the binding constraint increasingly shifts to the quality, cost, and scalability of financial intermediation under a sanctions-constrained environment. At the same time, the prospectiveness of the financial track is now more explicitly governance-dependent than in 2022. As the regime matures, Russia’s adaptation relies on currency substitution, third-country bridge banks, multi-hop correspondent chains, and fintech/crypto rails that can be adjusted quickly. Consequently, the marginal effectiveness of financial sanctions through 2030 depends less on expanding baseline prohibitions and more on the EU’s ability to maintain a high-tempo, network-oriented anti-circumvention cycle that targets scalable facilitators and keeps compliance gravity high. The realistic objective is not total financial isolation—unlikely in a globally networked economy—but the sustained imposition of persistent friction and reduced optionality that limits Russia’s ability to sustain war-relevant procurement and to finance industrial mobilisation efficiently.

A first driver of prospectiveness is that financial sanctions have strong cross-domain transmission. Where export controls deny critical technologies, the limiting factor often becomes payment and trade finance. Where energy sanctions reduce rent capture, the limiting factor becomes revenue conversion and the reliability of settlement corridors. Where transport measures raise logistics costs, the limiting factor becomes insurance and service payments routed through intermediaries. Financial sanctions multiply each of these constraints by raising settlement costs and increasing the probability of transaction refusal or delay. This is why the financial track remains prospectively robust even if Russia continues to reroute trade: the financial system’s compliance boundaries are harder to bypass at scale without moving into higher-cost corridors. Over 2026–2030, the strongest contribution of financial sanctions is therefore systemic: they make other sanctions more enforceable and reduce leakage by narrowing the set of low-risk facilitators willing to handle Russia-linked business. This systemic effect is also durable, because compliance systems institutionalise risk over time; however, it depends on clarity and consistency of implementation.

A second driver of prospectiveness is the EU’s growing emphasis on bridge-node targeting—the recognition that the main marginal gains lie in constraining third-country financial operators and service providers that enable circumvention at volume. This approach is conceptually aligned with the realities of a mature sanctions’ regime: Russia’s external settlement ecology has shifted, and the most scalable workarounds are mediated through bridging intermediaries rather than through direct EU-Russia banking ties. Therefore, prospectiveness is highest where the EU can (1) identify high-volume bridge banks/providers with an EU nexus, (2) impose transaction bans or equivalent constraints, and (3)

maintain a rapid update cycle as nodes shift. When this works, the marginal effect is high: disrupting a bridge bank can raise costs across multiple sectors simultaneously and can trigger broader de-risking by other intermediaries. The constraint is governance: evidence quality must be sufficient to sustain legal defensibility, and the coalition must maintain political throughput to update measures at a pace that reduces arbitrage windows. Where throughput lags, the bridge-node strategy risks a “replacement cycle” in which new intermediaries emerge faster than they are constrained.

A third driver of prospectiveness is compliance gravity as an enforcement multiplier. Over time, financial sanctions embed Russia-related risk into private-sector behaviour through screening systems, risk thresholds, and contractual clauses. This generates durable friction even where specific transactions are not explicitly prohibited. For 2026–2030, this mechanism remains strategically valuable because it raises the cost of facilitation for intermediaries that depend on EU markets, services, and reputational standing. However, compliance gravity is also a point of vulnerability: if legal definitions are ambiguous, if enforcement is uneven, or if political signals become inconsistent, private intermediaries may relax de-risking or develop workarounds that reduce friction. Therefore, prospectiveness depends on maintaining the credibility of enforcement and the coherence of guidance across Member States, as well as on partner alignment that reduces substitution into alternative high-trust jurisdictions.

A fourth driver of prospectiveness is the continued relevance of fintech and crypto-enabled routing as a niche but persistent circumvention corridor. The financial track’s long-horizon value is increased when EU measures deny enabling services to high-risk providers and reduce the feasibility of using EU-linked fintech rails for settlement, custody, and value transfer. However, the domain is inherently adaptation-sensitive: providers can relocate, rebrand, and change technical interfaces quickly. Consequently, the prospectiveness of fintech/crypto restrictions through 2030 is primarily a function of enforcement tempo and of the ability to target networks rather than static labels. The benefit of this focus is not that it blocks all value transfer; it reduces the scalability and lowers the reliability of grey corridors that support procurement and evasion. Without continuous monitoring, the marginal effect decays quickly.

Against these prospects, the constraints are clear and persistent. The dominant constraint is third-country corridor normalisation: if bridge banks and intermediaries become stable, routinised corridors with manageable risk, the financial sanctions regime becomes less binding. This can occur if enforcement tempo slows, if diplomatic constraints inhibit bridge-node targeting, or if private intermediaries in non-aligned jurisdictions develop sufficiently deep settlement capacity outside EU-linked services. A related constraint is data opacity. As Russia and affiliated networks rely more on opaque corporate structures and less transparent routing, the evidence pipeline becomes slower and less precise, increasing the lag between circumvention emergence and restrictive response. Another constraint is coalition heterogeneity: if Member States differ materially in enforcement intensity or guidance interpretation, “soft spots” will emerge that facilitate rerouting and reduce deterrent effect. Finally, there is a boundedness constraint: because financial sanctions cannot realistically deliver total isolation in a non-universal coalition, the regime’s effectiveness must be evaluated on friction and scalability denial, not on absolute flow stoppage. This boundedness is not a weakness; it is a design reality that must be managed through network targeting and cross-domain integration.

To keep this section audit-ready and to anchor later monitoring, Table 3.3.4-1 (below) consolidates a structured view of the high-value levers for financial sanctions through 2026–2030, the main constraints that bound their effectiveness, and the corresponding indicators that should be tracked. The table is authored for this report and is designed to be used as a calibration tool: it identifies where policy effort yields the highest marginal returns and where governance investment is required to prevent effectiveness decay.

Table 3.3.4-1. Financial sanctions (2026–2030): high-value levers, constraints, and monitoring indicators

High-value lever (2026–2030)	Why it remains prospectively valuable	Binding constraints	Core indicators to monitor (examples)
Targeting third-country bridge banks/providers with EU nexus	Disrupts scalable settlement corridors; raises costs across sectors; triggers de-risking	Evidence burden; diplomatic sensitivity; rapid substitution	Time-to-update; BIS cross-border claims signals; concentration shifts in routing; refusal proxies
Trade-finance and procurement facilitator disruption (network listings)	Reduces export-control leakage; constrains war procurement and critical imports	Data opacity; corporate restructuring; legal risk	Network reconfiguration rate; mirror-trade anomalies; enforcement/seizure cases
Fintech/crypto service denial (high-risk providers)	Closes grey corridors for obfuscation and smaller-value routing	High adaptation tempo; jurisdictional relocation	Provider availability; proxy emergence rate; enforcement actions; time-to-response
Compliance gravity maintenance (guidance + enforcement signals)	Sustains private de-risking; increases friction beyond legal minimum	Guidance ambiguity; uneven enforcement; compliance fatigue	Divergence in Member State practice; private-sector exits; refusal/de-risking events
Partner alignment and external compliance gravity	Reduces substitution to alternative high-trust corridors	Political feasibility; differing partner priorities	Share of aligned actions; observed third-country service withdrawal; risk-premium proxies

Authorship: analytical framework (this report) was prepared on the basis of Section 3.2.1 and 3.3.1–3.3.3

A second table (Table 3.3.4-2) provides an implementation-focused typology of bridge architecture and the corresponding EU intervention points, making explicit how settlement corridors and enabling services can be targeted without relying on maximalist restrictions.

Table 3.3.4-2. Bridge architecture typology (financial interface) and EU intervention points (2026–2030)

Bridge architecture element	Typical operational role in circumvention	EU intervention point (policy tool)	Most relevant risk if not addressed
Third-country “bridge banks”	Settlement and correspondent substitution for Russia-linked flows	Transaction bans; targeted restrictions; partner alignment	Corridor normalisation; scalable settlement restoration
Multi-hop correspondent chains	Opacity and layering for payments to sanctioned exposure	Guidance tightening; enforcement signals; facilitator listings	Reduced visibility; higher leakage; weak deterrence
Currency substitution rails	Reduced use of EUR/USD corridors; increased routing through “other” currencies	Target enabling services; focus on bridge nodes rather than currency per se	Monitoring difficulty; misread effectiveness
Fintech/crypto service layer	Obfuscation and niche routing; support to procurement networks	Service prohibitions; provider targeting; rapid updates	High adaptation; persistent grey corridor
Corporate service and proxy ownership layer	Beneficial ownership opacity enabling payments and procurement	Network listings; BO enforcement; facilitator targeting	Fast substitution; weak attribution; evidence delays

Authorship: analytical framework (this report) was prepared on the basis of analytical typology to support monitoring and targeting

In summary, the financial sanctions track is prospectively robust through 2030 because it constrains the system-wide interfaces that sustain war-enabling economic activity, but it is also uniquely sensitive to adaptation speed and to the stability of third-country bridge corridors. The highest-value strategy is therefore selective and network-oriented: maintain core financial constraints, target scalable facilitators with an EU nexus, integrate trade-finance disruption with export controls and logistics enforcement, and preserve compliance gravity through coherent guidance and enforcement signals. Where these conditions are met, financial sanctions can continue to deliver durable structural pressure—primarily by raising costs, increasing uncertainty, and reducing scalability of external

financial operations—while reinforcing the cumulative effectiveness of energy, technology, and logistics measures.

3.3.5. Energy Sanctions (2026–2030) — Prospectiveness and Constraints

Energy sanctions remain central to the EU’s economic-pressure architecture over 2026–2030 because Russia’s oil and gas exports continue to underpin the fiscal and external buffers that sustain a war-enabled economic model. The prospectiveness of this block is not determined solely by formal prohibitions (embargoes) but by whether the sanctions regime can systematically compress rent capture through a combined mechanism of (1) service-layer restrictions (insurance, shipping services, brokering and related maritime enabling services), (2) price mechanisms (price-cap architecture where applicable), and (3) anti-circumvention engineering (shadow fleet growth, blending, re-exports, flag-hopping, and ship-to-ship transfers). In a mature sanctions’ environment, effectiveness increasingly manifests as a persistent “sanctions wedge” between global benchmarks and Russia’s realised prices, together with higher logistics and compliance costs that reduce the scalability of circumvention corridors. This implies that the primary evaluative question for 2026–2030 is whether the EU can keep circumvention structurally costly, rather than whether it can eliminate exports altogether.

From a prospectiveness standpoint, energy sanctions retain two durable advantages. First, they target the fiscal nerve of the war economy: price and services constraints translate into lower net revenues, particularly as large buyers demand discounts as compensation for sanctions risk and compliance complexity. Secondly, the EU and partners retain leverage over a significant portion of the global maritime services layer (insurance, certification, brokering, compliance-facing services), which makes the sanctions regime prospectively valuable even under redirection of flows to non-EU markets. Where service-layer enforcement remains credible, circumvention can persist but at materially higher cost and risk, sustaining rent compression over time. Conversely, if the shadow fleet and parallel services ecosystem becomes normalised and sufficiently deep, the system can drift from a “pressure” regime towards a “risk tax” regime in which Russia continues to export while paying discounts and higher transaction costs—still pressure-inducing, but less predictable and more dependent on global price cycles.

A forward-looking assessment of budget-relevant outcomes over 2026–2030 therefore needs to consider two variables jointly: (1) global benchmark prices and (2) the sanctions-induced discount and cost wedge. For oil, the key driver is the difference between Brent (global benchmark) and Russia’s realised Urals price, which captures sanctions risk, logistics, insurance/compliance costs, and market power dynamics in destination markets. For gas, the picture is structurally more constrained: Russia’s loss of the high-margin European pipeline segment and the limits to rapid re-orientation mean that revenue prospects are increasingly shaped by infrastructure constraints and market conditions, alongside benchmark price dynamics. In that context, a futures-based outlook for European benchmark gas prices is analytically useful because the European market historically generated outsized rents; its structural reconfiguration therefore affects the upper bound of Russia’s gas monetisation potential.

To anchor this analysis, the report provides two “fact + outlook” tables (2020–2030) and corresponding charts: one for oil benchmarks and the Russia discount (Table 3.3.5-1 and Figure 3.3.5-1), and one for the EU gas benchmark outlook (Table 3.3.5-2 and Figure 3.3.5-2). The tables are designed to be audit-ready: factual series are sourced from named institutions, while the outlook path is explicitly labelled as either a published forecast (EIA/IMF) or an author interpolation/extension used solely to complete the 2026–2030 scenario baseline.

Table 3.3.5-1. Oil (2020–2030): Brent benchmark, Urals realised price, discount, and forward scenarios

Year	Brent (global, \$/bbl)	Urals (avg, \$/bbl)	Discount (Brent–Urals, \$/bbl)	Urals scenario (Brent–15, \$/bbl)	Urals scenario (Brent–20, \$/bbl)
2020	43.33	41.7	1.63	—	—
2021	70.83	69.0	1.83	—	—
2022	99.00	76.1	22.90	—	—
2023	82.32	63.0	19.32	—	—
2024	79.91	67.9	12.01	—	—
2025	68.32	55.6	12.72	—	—
2026	58.00	—	—	43.0	38.0
2027	53.00	—	—	38.0	33.0
2028	55.00	—	—	40.0	35.0
2029	55.00	—	—	40.0	35.0
2030	55.00	—	—	40.0	35.0

Authorship: analytical framework (this report) was prepared on the basis of data collation and scenario construction; facts from cited sources; scenario extension explicitly noted

Source (Brent, 2020–2025 actual): IMF Primary Commodity Prices via FRED series POILBREUSDA (annual). <https://fred.stlouisfed.org/data/POILBREUSDA.txt>

Source (Urals, 2020–2025 actual): Oxford Institute for Energy Studies (OIES), *The Inflection Point: Russia's oil and gas revenues in 2025*, Table 1. <https://www.oxfordenergy.org/wpcms/wp-content/uploads/2026/02/Comment-Russian-Oil-and-Gas-2025.pdf>

Source (Brent, 2026–2027 forecast): U.S. EIA, *Short-Term Energy Outlook* (Brent outlook). https://www.eia.gov/outlooks/steo/pdf/steo_full.pdf

Discount range context: IMF WEO Commodity Special Feature (discount reference). <https://www.imf.org/-/media/files/research/commodityprices/weospecialfeature/october-2024-commodity-special-feature.pdf>

Note (scenario construction): 2028–2030 Brent is an author extension (flat continuation) used for scenario completeness; Urals scenarios apply –15/–20 \$/bbl to that baseline.

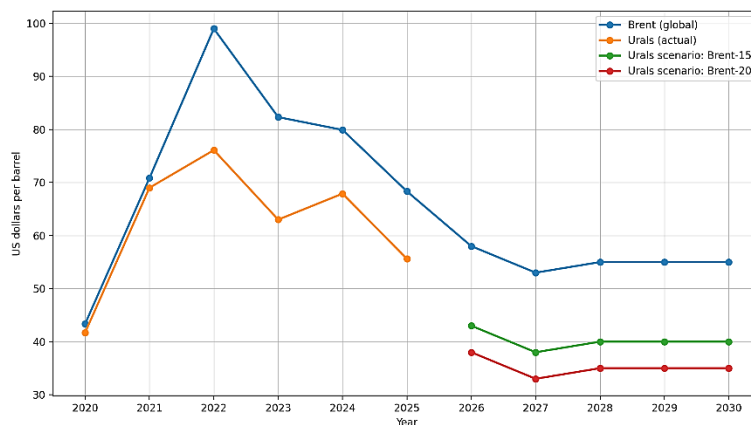


Figure 3.3.5-1. Oil price benchmarks and Russia discount (2020–2030)
(Prepared according to Table 3.3.5-1)

Table 3.3.5-1 supports three budget-relevant implications for 2026–2030. First, the sanctions environment has produced a persistent and sometimes large discount between Brent and Urals since 2022, indicating sustained rent compression even when global prices are elevated. Secondly, the

interaction between benchmark price levels and discount magnitude is decisive: under lower benchmark prices, a fixed discount consumes a larger share of net rent, making the fiscal effect of sanctions more acute. Thirdly, the key enforcement frontier is not only volume restriction but the ability to keep the discount and compliance/logistics cost wedge structurally present through service-layer controls and anti-circumvention action; where the wedge is maintained, budget-linked oil revenues are more likely to degrade through 2026–2030 even if exports continue.

For gas, the prospect of revenue recovery is structurally constrained by market reconfiguration. Russia's loss of the highest-margin European pipeline segment and the limited speed at which alternative routes and demand can be scaled imply that gas monetisation is more exposed to infrastructure bottlenecks and political/logistics risks. A futures-based benchmark outlook is therefore relevant as a proxy for the broader market environment in which gas rent could be generated. The IMF's outlook indicates a gradual decline in the European benchmark (TTF) over the decade, implying a less supportive price environment by 2030 relative to the 2021–2022 extremes. This does not, by itself, measure Russia's realised gas price, but it anchors the direction of the external price environment and therefore the potential ceiling for rent generation in the high-value European benchmark space.

Table 3.3.5-2. Gas (2020–2030): EU gas benchmark (TTF/EU proxy)—actuals and futures-based outlook

Year	EU gas benchmark (IMF/FRED, \$/MMBtu)
2020	3.18
2021	15.91
2022	37.52
2023	12.88
2024	10.89
2025	11.91
2026	11.36
2027	10.62
2028	9.88
2029	9.14
2030	8.40

Authorship: analytical framework (this report) was prepared on the basis of data collation and interpolation for the outlook years; facts from cited sources; interpolation explicitly noted

Source (2020–2025 actual): IMF Primary Commodity Prices via FRED series PNGASEUUSDA (annual).
<https://fred.stlouisfed.org/data/PNGASEUUSDA.txt>

Source (2030 anchor; futures-based statement): IMF WEO Commodity Special Feature (Oct 2025) notes TTF averaging \$12.1/MMBtu in 2025 and declining to \$8.4/MMBtu in 2030. <https://www.imf.org/-/media/files/publications/weo/2025/october/english/commodityspecialfeature.pdf>

Note (outlook construction): 2026–2029 values are an author interpolation between IMF's cited 2025 and 2030 points (linear path for an audit-friendly baseline).

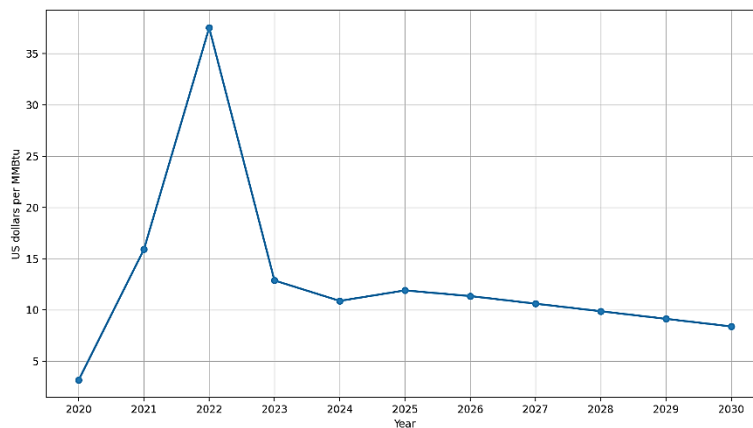


Figure 3.3.5-2. EU gas benchmark actuals and IMF futures-based outlook (2020–2030)
(Prepared according to Table 3.3.5-2))

Taken together, the oil and gas outlook tables support a coherent 2026–2030 prospectiveness judgement. For oil, the sanctions regime can continue to deliver rent compression if it maintains the services-denial perimeter and constrains the scalability of the shadow fleet and associated intermediaries. Under a moderate-to-lower benchmark price path, persistent discounts materially degrade price-realised revenue potential. For gas, the structural loss of premium European routes combined with a declining benchmark outlook implies a weaker rent environment, making large-scale recovery of pre-2022 gas rents less plausible without major infrastructure reconfiguration and risk reduction. In both cases, the binding constraint is increasingly enforcement tempo and anti-circumvention engineering: if the shadow services ecosystem becomes stable and low-risk, the discount and cost wedge may shrink; if enforcement remains credible, the wedge persists, sustaining fiscal-resource compression.

For additional budget context, OIES estimates that Russia’s oil and gas revenues in 2025 were around RUB 8.5 trillion (about USD 101.4 billion) and around 23% of total federal budget revenues. This implies that sustained rent compression remains strategically relevant for limiting the fiscal capacity to sustain war expenditure levels through 2026–2030.

3.3.6. Trade-Industrial and Technology Restrictions (2026–2030) — Prospectiveness and Constraints

Trade-industrial and technology restrictions—especially dual-use and advanced technology export controls—are among the most prospectively valuable sanctions instruments over 2026–2030 because they operate through capability ceilings rather than short-term trade disruption alone. Their central purpose is to degrade Russia’s ability to sustain a war-enabled industrial conversion model by denying or constraining access to critical inputs (advanced electronics, machine tools, software, optical components, aviation parts, semiconductor manufacturing and test equipment) that underpin modern manufacturing, precision engineering, and military production. Unlike commodity sanctions, which depend heavily on global price cycles, technology restrictions compound through time: deferred maintenance accumulates, substitution quality declines, and the cost of production and repair rises. This makes the technology track structurally important for a long horizon, because it targets the reproducibility of capability. In practical terms, effectiveness is measured by whether restrictions meaningfully limit the availability, scalability, and reliability of high-priority goods and enabling services, and whether circumvention corridors remain unstable and costly.

A key advantage of the technology track is its ability to impose asymmetric pressure: a relatively small set of inputs can be disproportionately decisive for complex production chains. Microelectronics, navigation and communications components, optics, and precision machining are “small by weight, large by function”. Denial or disruption in these categories has cascading effects across aerospace, missile production, UAV systems, industrial automation, energy equipment maintenance, and higher-end machine building. This is precisely why the EU and partners have formalised a “common high-priority items” approach that links battlefield evidence to export control prioritisation and due diligence. The fact that a finite set of HS-coded items can be identified as repeatedly appearing in Russian weapons systems is itself a strategic advantage: it allows enforcement to concentrate on a tractable set of chokepoints rather than dispersing resources across the entire trade universe.

At the same time, the technology track is also the most adaptation-sensitive segment of economic sanctions. The principal constraint is not that Russia can “replace” high-end Western technology domestically at scale; rather, it is that Russia can attempt to re-route restricted items through third-country hubs and grey procurement networks. The defining feature of the 2022–2025 evolution has been the movement from direct EU-Russia trade to more complex, intermediated routes. This shifts the enforcement problem from “export ban compliance” to “end-use integrity”: the same item can appear in Russia despite legal restrictions if it moves through brokers, re-exporters, or concealment structures. Over 2026–2030, prospectiveness therefore depends on whether the EU can maintain a high-tempo anti-circumvention cycle: identify hubs and facilitators, tighten controls on enabling services, and reduce arbitrage created by jurisdictional variance.

A useful baseline indicator of the technology track’s effect is the collapse of direct EU exports to Russia in machinery and manufactured categories after 2021. The European Commission’s DG TRADE country factsheet (Eurostat Comext-based) documents a sharp reduction in EU exports to Russia overall and in key industrial sections between 2021 and 2024. This is not merely a macro trade statistic; it is direct evidence that the legal prohibitions and corporate exit behaviour have significantly reduced Russia’s access to EU-origin industrial goods through the most transparent corridor. Table 3.3.6-1 consolidates the core export sections relevant to industrial capability (machinery and transport equipment; manufactured materials; miscellaneous manufactures) and a control category (food), illustrating the selective nature of the contraction. The pattern is consistent with the sanctions design: high-tech and industrial categories contracted far more sharply than humanitarian-adjacent categories.

Table 3.3.6-1. EU exports to Russia by selected SITC sections (2021–2024; EUR million)

SITC section	2021(EUR mn)	2022 (EUR mn)	2023 (EUR mn)	2024 (EUR mn)	Change 2021→2024 (%)
5 Chemicals and related products	20,063	18,138	14,673	13,732	–31.6
7 Machinery and transport equipment	39,437	16,034	7,225	4,115	–89.6
8 Miscellaneous manufactured articles	10,534	6,725	5,810	4,943	–53.1
6 Manufactured goods (chiefly by material)	9,004	5,124	2,978	2,110	–76.6
0 Food and live animals	3,994	3,929	3,627	3,361	–15.8
Total exports (all goods)	89,169	55,005	38,142	31,547	–64.6

Authorship: analytical framework (this report) was prepared on the basis of data extracted and consolidated from European Commission DG TRADE factsheet, Eurostat Comext

Source:

- European Commission (DG Trade and Economic Security), European Union, Trade in goods with Russia (Eurostat Comext, statistical regime 4), “Trade flows by SITC section 2021–2024”.
https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_russia_en.pdf

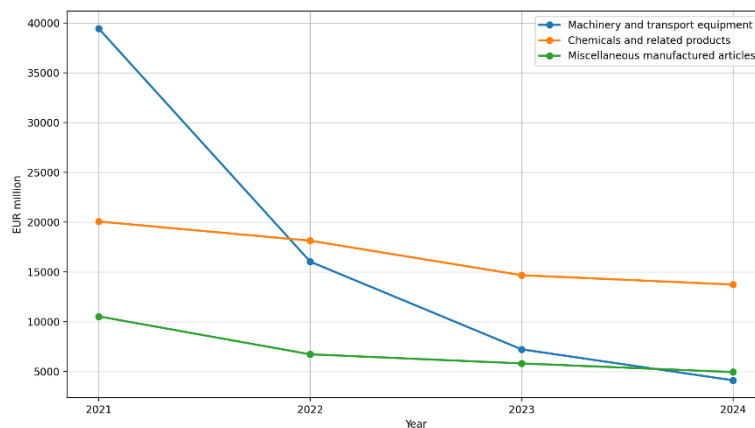


Figure 3.3.6-1. EU exports to Russia by selected SITC sections (2021–2024)
(Prepared according to Table 3.3.6-1)

The evidence in Table 3.3.6-1 and Figure 3.3.6-1 supports two analytical conclusions relevant to 2026–2030. First, the direct EU supply channel for machinery and transport equipment—a core industrial capability input—has been largely shut down in value terms since 2021. Secondly, the differential reduction across categories indicates that sanctions and corporate controls have operated with a high degree of selectivity: critical industrial sections collapsed while food exports remained comparatively stable. This selectivity improves coalition sustainability by limiting unnecessary spillovers, but it also shifts the enforcement frontier outward: as direct EU exports decline, the relative importance of re-export monitoring and third-country hub disruption rises.

The next structural question is whether Russia can compensate for lost EU-origin industrial inputs through alternative origins and routes in a way that restores capability at scale. The evidence points to partial substitution, especially for microelectronics, but with important constraints. Microelectronics supply is not simply a matter of replacing one seller with another; it requires stable access to advanced components, procurement networks, testing and manufacturing equipment, and the engineering competence to integrate those components into military and industrial systems. In the sanctions period, multiple public investigations have highlighted that Western-origin components continue to appear in Russian weapons systems, suggesting that the binding problem is not “availability somewhere in the world” but “control over distribution and end-use”. A notable example is the U.S. Senate Permanent Subcommittee on Investigations report (2024), which documents the presence of U.S.-made semiconductors in Russian weapons systems and discusses supply-chain pathways and enforcement limitations. This evidence underscores why the 2026–2030 challenge is enforcement density and corridor closure, not merely the existence of export bans.

A practical way to represent the “corridor shift” is to examine where Russia sources critical components such as integrated circuits. OEC trade data for 2024 shows Russia importing integrated circuits primarily from Hong Kong and China, followed by smaller volumes from Thailand, India and Turkey. While such data does not prove circumvention on its own—some goods may be non-restricted or legitimately supplied—it provides an operationally relevant signal of reorientation towards intermediary trade hubs. This is precisely the behaviour that the EU’s anti-circumvention framework aims to address: restrict Russia’s access to sanctioned advanced technology items and reduce the ability of third-country corridors to deliver them.

Table 3.3.6-2. Russia imports of integrated circuits — top origins (2024; USD million)
(Prepared according to the data collation from OEC))

Partner	2024 imports (USD mn)	Share of listed partners (%)
Hong Kong	172.00	58.0
China	99.70	33.6
Thailand	11.40	3.8
India	8.63	2.9
Turkey	4.75	1.6

Authorship: analytical framework (this report) was prepared on the basis of official EU institutional materials, EU legal acts and documents

Source:

- OEC World, “Integrated Circuits in Russia Trade” (2024 import origins). <https://oec.world/en/profile/bilateral-product/integrated-circuits/reporter/rus>

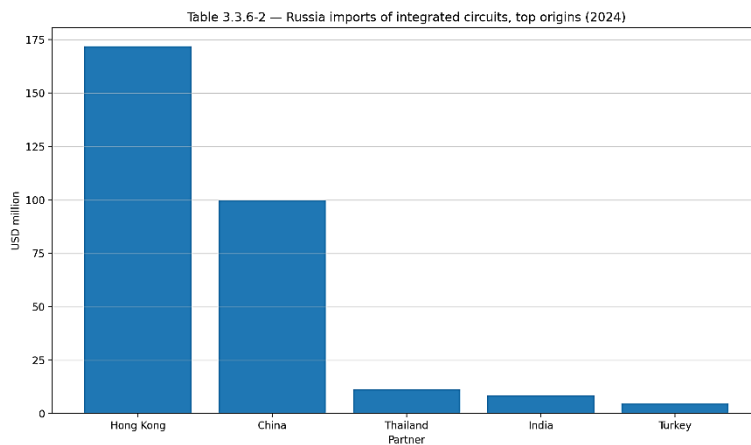


Figure 3.3.6-2. Russia imports of integrated circuits — top origins (2024)
(Prepared according to Table 3.3.6-2))

The pattern in Table 3.3.6-2 supports a forward-looking enforcement implication: the technology track’s prospectiveness in 2026–2030 will depend heavily on the EU’s capacity to reduce the reliability of hub-mediated corridors—particularly where goods are routed through jurisdictions and commercial platforms that can supply mixed provenance. This does not require the EU to police global trade exhaustively; it requires targeted action on high-priority HS codes, on enabling services (trade finance, logistics, brokering, and corporate services), and on repeated facilitators. In practice, the most effective policy design is “high-signal targeting”: concentrate enforcement effort on the subset of items that are repeatedly identified as battlefield-relevant and on the intermediaries that repeatedly appear in circumvention networks.

This is precisely why the EU and partners have formalised the Common High Priority Items list. The document explicitly states that the list is divided into tiers and comprises 50 HS codes that are sanctioned under Regulation 833/2014 and involved in Russian weapons systems used against Ukraine (or critical to their development and production), including missile and UAV systems. From a sanctions-engineering standpoint, this approach provides three advantages for 2026–2030: it narrows the enforcement problem to a manageable set; it creates a shared language for partner coordination and customs risk-scoring; and it enables a structured, tiered due diligence model for exporters and intermediaries.

Table 3.3.6-3. EU & partners: Common High Priority Items (HS codes by Tier)

Tier	HS codes (count)	Illustrative examples (HS codes)
Tier 1	4	8542.31, 8542.32, 8542.33, 8542.39 (integrated circuits)
Tier 2	5	8517.62, 8526.91, 8532.21, 8532.24, 8548.00 (comms & components)
Tier 3.A	16	8471.50, 8504.40, 8525.89, 8536.69, 8541.xx (electronics & connectors)
Tier 3.B	9	8482.xx, 8807.30, 9013.xx, 9014.xx (bearings, aircraft parts, optics)
Tier 4.A	11	8486.xx, 8534.00, 9030.xx, 9030.82 (semiconductor manufacturing/testing)
Tier 4.B	5	8457.10, 8458.xx, 8459.61, 8466.93 (CNC machine tools & parts)

Authorship: analytical framework (this report) was prepared on the basis of structured extraction and summarisation from the Commission services list, February 2024

Source:

- European Commission services, List of Common High Priority Items (Version of February 2024). https://finance.ec.europa.eu/system/files/2023-09/list-common-high-priority-items_en.pdf

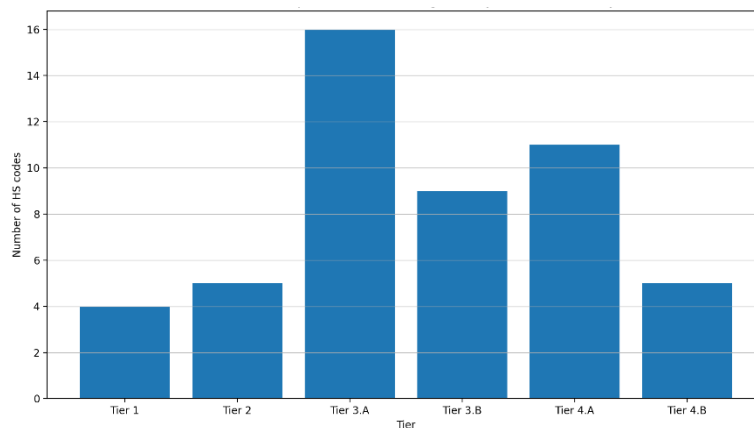


Figure 3.3.6-3. Common High Priority Items — number of HS codes by Tier
(Prepared according to Table 3.3.6-3)

The tier structure in Table 3.3.6-3 and Figure 3.3.6-3 is analytically useful for prospectiveness because it implies a prioritised enforcement hierarchy. Tier 1 is microelectronics—high leverage, low mass, high battlefield relevance—where even small volumes matter. Tier 4 is production and testing equipment and CNC tooling—items that affect Russia’s ability to industrialise and scale production domestically. This maps directly to the long-horizon capability-ceiling logic: if Russia cannot reliably obtain high-end machine tools and semiconductor manufacturing and test equipment, it may be able to maintain certain levels of production, but it will struggle to modernise, scale, and reduce defect rates, especially in high-precision segments. Over 2026–2030, the regime’s value is therefore highest where enforcement is aligned to these tiers: strong scrutiny and rapid response for Tier 1 and Tier 4, coupled with systematic monitoring of re-export patterns.

The principal constraint remains circumvention through re-export hubs and document manipulation. The EU has explicitly framed its sanctions approach around bans and restrictions on exports of goods—particularly dual-use and advanced technology items—under the Russia sanctions regime, highlighting the breadth of goods categories subject to restrictions. In a mature regime, however, the enforcement problem becomes less about whether the EU bans exports and more about whether the EU and partners can prevent their territories and companies from being used as channels for re-export and diversion. This

is why the Commission services emphasise that the high-priority list may support due diligence and targeted anti-circumvention actions by customs and enforcement agencies. Over 2026–2030, this requires a continuous typology-to-measure pipeline: (1) detect anomalies; (2) identify facilitators; (3) tighten controls; (4) measure the lag; repeat.

A second constraint is the structural difference between volume-based and capability-based impact. Even if Russia can import some volume of electronics from alternative origins, the capability impact depends on whether those imports include high-performance chips, whether they meet specification, whether they can be integrated, and whether supply is reliable. The Senate report’s emphasis on Western-made components in Russian systems illustrates why enforcement must focus not only on headline trade values but on specific items and supply chains. Russia may sustain a flow of components, but with higher procurement costs, quality variability, and greater exposure to disruption as nodes are targeted. This is exactly the structural pressure mechanism: degrade reliability and scale rather than assume immediate cessation.

A third constraint is the services layer of industrial trade—maintenance, software updates, engineering support, calibration and certification—where restrictions can degrade capability even if hardware is partially substituted. Industrial systems are not purely hardware-dependent; they require ongoing support and integration. Over 2026–2030, the sanctions regime remains prospectively valuable where it constrains these enabling services. However, the services layer is also harder to measure and police than goods trade, which increases reliance on compliance gravity and targeted enforcement actions against intermediaries. In practical terms, the most effective approach links goods restrictions to service restrictions and financial constraints: if trade finance and logistics services are constrained, the cost of maintaining grey supply chains rises.

A fourth constraint is coalition and partner alignment. Export controls are strongly path-dependent: if a critical mass of advanced technology producers and financial service hubs align, circumvention becomes costly and unreliable; if alignment weakens or enforcement diverges, corridors normalise. The EU’s prospectiveness therefore depends on continued coordination with key partners and on maintaining a shared high-priority enforcement agenda. The existence of a “common” high-priority list is itself a signal of this alignment strategy. In 2026–2030, the marginal gains will increasingly come from joint actions on diversion hubs and repeated facilitators, rather than from broadening product bans alone.

A fifth constraint is data visibility and methodological integrity. As trade re-routes through intermediaries, data become noisier; mirror statistics are essential, but lagged. This implies that an audit-ready monitoring model must triangulate multiple datasets and accept that some indicators are proxy-based. The virtue of the tiered high-priority framework is that it allows enforcement to operate under uncertainty: even without perfect visibility, focusing on the most critical HS codes reduces the risk of dispersing effort. Over time, the regime’s credibility depends on the ability to show intermediate effects: reductions in direct EU exports (Table 3.3.6-1), shifts in sourcing patterns (Table 3.3.6-2), and evidence-based prioritisation of controls (Table 3.3.6-3).

To operationalise the prospectiveness and constraints picture for 2026–2030, Table 3.3.6-4 provides a corridor-focused typology that links the main circumvention mechanisms for high-priority goods to practical indicators and EU intervention points. This table is not a legal inventory; it is a targeting and monitoring tool designed to support the next stage of the report (3.3.8–3.3.11) by turning abstract “circumvention risk” into observable signatures and policy levers.

Table 3.3.6-4. Technology/export-control circumvention corridors (2026–2030): mechanisms, indicators, and EU intervention points

Corridor / typology	Operational mechanism	Observable signatures (examples)	EU intervention points (examples)
Re-export via hub jurisdictions	High-priority goods exported to hubs then diverted to Russia	Sudden partner import spikes in Tier 1/4 HS codes; mirror-trade anomalies	Targeted anti-circumvention actions; enhanced due diligence guidance; facilitator listings
Proxy end-users and shell entities	Conceal final user and military linkage	Repeated reuse of nominee directors; rapid corporate restructuring	Network-based listings; beneficial ownership enforcement; services restrictions
Misclassification / documentation manipulation	Change HS codes or invoices to reduce scrutiny	Discrepancies between exporter and importer reporting; abnormal unit values	Customs risk scoring using Tier lists; targeted audits; enforcement casework
Trade-finance intermediation	Payments routed through bridge banks; trade finance supports diversion	Concentration of flows through a small set of intermediaries	Bridge-node targeting in finance; transaction bans on facilitators (where applicable)
Grey-market component aggregation	Small shipments aggregated and integrated into systems	High frequency of small consignments; proliferation of micro-suppliers	Tier 1/2 enforcement focus; rapid update cycle on facilitators
Tooling and production equipment sourcing	Import of CNC tools and test equipment enables domestic scaling	Growth in Tier 4 HS codes via hubs; procurement-network signatures	Tighten Tier 4 scrutiny; targeted actions on machine-tool and test-equipment corridors

Authorship: analytical framework (this report) was prepared on the basis of analytical typology; anchored in EU sanctions design and the Common High Priority Items framework

Source (policy basis and priority items): European Commission services, List of Common High Priority Items (Feb 2024). https://finance.ec.europa.eu/system/files/2023-09/list-common-high-priority-items_en.pdf

Source (EU export bans framing): European Commission, “Import and export bans”.

https://commission.europa.eu/topics/eu-solidarity-ukraine/eu-sanctions-against-russia-following-invasion-ukraine/import-and-export-bans_en

Overall, the prospectiveness judgement for 2026–2030 is that trade-industrial and technology restrictions remain structurally high-value because they degrade capability through time, but their marginal effectiveness will increasingly be determined by anti-circumvention engineering rather than by additional category bans alone. The most credible pathway to sustained effectiveness is a tiered enforcement strategy anchored in the common high-priority list: (1) concentrate on microelectronics, comms/navigation components, bearings/optics/aircraft parts, and production/testing equipment; (2) run continuous anomaly detection; (3) target facilitators and hubs; and (4) measure response lag. In this model, success is not defined as the complete absence of restricted goods in Russia—an unrealistic standard in a global economy—but as a sustained increase in procurement costs, reduced reliability of supply, degradation of industrial scaling potential, and persistent disruption of the supply chains that convert imported components into military and industrial capability.

3.3.7. Transport and Logistics Restrictions (2026–2030)—Prospectiveness and Constraints

Transport and logistics restrictions remain one of the most strategically consequential elements of the EU sanctions architecture over 2026–2030 because they target the physical and service-layer feasibility of Russia’s external trade and revenue model. In practice, Russia can sustain significant export volumes only if it can (1) access ships, routes, port services, and insurance; (2) maintain compliant or at least functional documentation and counterparties; and (3) preserve enough operational reliability to avoid catastrophic disruption (accidents, detentions, service refusal). The transport domain therefore acts as

a “real economy interface”: it operationalises sanctions outcomes through friction in shipping, aviation, and logistics services rather than through financial rules alone. It is also highly cross-domain: restrictions in maritime services underpin energy rent compression; logistics constraints reinforce export controls by disrupting re-export and diversion channels; aviation restrictions degrade domestic connectivity and supply-chain reliability; and road/rail measures shape regional routing. For 2026–2030, the prospectiveness of this domain depends less on the existence of formal bans (which already exist) and more on the EU’s capacity to keep circumvention corridors expensive, risky, and unstable.

A central reason transport sanctions remain prospectively valuable is that the global logistics system is service-intensive and compliance-mediated. Shipping is not merely ships; it is a stack of enabling services—insurance and reinsurance, ship management, classification, certification, brokering, and port services—where the EU and partners retain significant leverage. Where that leverage is used coherently, transport restrictions can compress Russia’s net export rents even without eliminating volumes. Where it is not used coherently, the system can drift towards a “shadow normal” equilibrium in which Russia continues to export at scale using older tankers, opaque ownership structures, and non-transparent insurance, paying a discount and a risk premium. That outcome still imposes costs, but it becomes less predictable and more sensitive to global price cycles and enforcement tempo. The question for 2026–2030 is therefore whether the EU can prevent the “shadow equilibrium” from becoming sufficiently stable and scalable to undermine the intended rent compression and capability-denial effects.

Maritime restrictions are the decisive sub-domain, because seaborne routes are critical for oil exports and for large segments of import logistics. The evolution of Russia’s “shadow fleet” illustrates both the effectiveness and the constraint profile of the transport track. The Centre for Research on Energy and Clean Air (CREA) monthly monitoring shows that by late 2025 and early 2026, the majority of Russian crude exports were transported by shadow/sanctioned vessels rather than by G7+ tanker fleets. For example, CREA reports that in January 2025 shadow tankers carried 84% of Russian seaborne crude oil, while price-cap coalition tankers carried 16%. By September 2025, the share of shadow tankers rose to 69% (G7+ 31%), and in December 2025 shadow vessels carried 68% (G7+ 26%). In January 2026, CREA reports that 68% of crude exports were carried by sanctioned shadow tankers and 8% by non-sanctioned shadow tankers, with G7+ tankers carrying 24% of crude exports. This dataset is operationally important because it directly measures the degree to which Russia has substituted away from the most compliance-visible corridors and towards a higher-risk logistics model.

The implication is not that sanctions have “failed”; rather, the transport restrictions have pushed Russia into a higher-risk, less transparent shipping regime. That shift remains prospectively valuable for 2026–2030 because it raises the probability of (1) service denial, (2) detentions and disruptions, (3) operational failures, and (4) higher cost of insurance and financing. However, it also highlights the main constraint: if the shadow fleet becomes large and sufficiently routinised, it can preserve export volumes and thus preserve substantial revenue flows. This is why the transport domain is increasingly governed by a tempo-and-closure logic: the marginal gains lie in tightening the services perimeter and targeting the nodes that make shadow logistics scalable (owners, managers, insurers, and facilitators), rather than relying on static bans alone.

To provide an audit-ready quantitative view of this dynamic, Table 3.3.7-1 consolidates the shadow vs G7+ shares for selected months. This is a factual consolidation from CREA reporting and is intended to function as a monitoring baseline for 2026–2030.

Table 3.3.7-1. Share of Russian seaborne crude transported by shadow vs G7+ tankers (selected months)

Period	Shadow tankers share of seaborne crude (%)	G7+ tankers share of seaborne crude (%)	Notes
Jan 2025	84	16	Shadow carried 84% of crude; price-cap tankers 16%

Period	Shadow tankers share of seaborne crude (%)	G7+ tankers share of seaborne crude (%)	Notes
Sep 2025	69	31	Shadow share rose to 69%
Dec 2025	68	26	Shadow 68%; G7+ 26%
Jan 2026	76	24	Crude: 68% sanctioned shadow + 8% non-sanctioned shadow; G7+ 24%

Authorship: analytical framework (this report) was prepared on the basis of data extracted and consolidated from CREA monthly reports

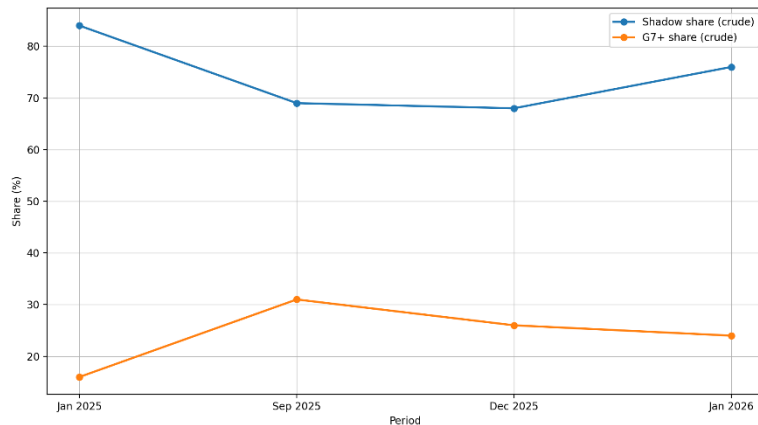


Figure 3.3.7-1. Shadow vs G7+ share of Russian seaborne crude exports (selected months)
(Prepared according to Table 3.3.7-1)

A second key determinant of prospectiveness is the scale and composition of the shadow fleet itself. Kyiv School of Economics (KSE Institute) estimates that as of Q1 2024, 435 vessels were part of the Russian shadow fleet, comprising 185 crude oil tankers and 250 product tankers, and that this fleet could cover roughly ~60% of crude exports and ~45% of product exports independent of restricted maritime services. This is strategically important because it indicates a potential “capacity floor” for circumvention: even if Western services are tightened, Russia may still retain a significant autonomous shipping capacity through older vessels and opaque ownership structures. The enforcement implication is clear: policy effectiveness in 2026–2030 depends on whether the EU can progressively reduce the operational utility of this fleet—through designation of vessels, targeting of operators and insurers, port access actions, and service-layer denial—so that the shadow fleet does not become a stable substitute at scale.

Table 3.3.7-2. Russian shadow fleet size and composition—2023, 2024, 2025

Reference year / point	Metric definition used by source	Total vessels / tankers (count)	Crude oil tankers	Oil products tankers	Additional notes
2023 (Aug 2023)	“Russian shadow fleet tankers carrying crude and oil products from Russian ports” (unique tankers, Aug 2023)	156	n/a	n/a	KSE reports 156 shadow tankers (crude + products) in Aug 2023; it also reports crude-carrying shadow tankers at 79 and oil-products shadow tankers at 77 in Aug 2023 (reported separately).
2024 (Q1 2024)	“Vessels’ part of the Russian shadow fleet” (ownership / management / insurance)	435	185	250	KSE states this fleet could cover ~60% of crude and ~45% of product

Reference year / point	Metric definition used by source	Total vessels / tankers (count)	Crude oil tankers	Oil products tankers	Additional notes
	outside the coalition; price cap does not apply)				exports independent of restricted maritime services.
2025 (Aug 2025)	“Russian shadow fleet tankers transporting crude oil and oil products departed from Russian ports and were involved in STS transfers” (monthly operational count)	155	n/a	n/a	KSE reports 155 shadow fleet tankers in Aug 2025 (86% over 15 years old) involved in STS transfers.
2025 (Dec 2025)	“Loaded Russian shadow fleet tankers with crude and oil products left Russian ports and were involved in STS transfers” (monthly operational count)	173	n/a	n/a	KSE reports 173 loaded shadow fleet tankers in Dec 2025 involved in STS transfers (78% over 15 years old).

Authorship: analytical framework (this report) was prepared on the basis of data extracted and consolidated from KSE Institute publications; comparability notes included

Comparability note (critical): these figures are drawn from different KSE reporting constructs. The 2024 Q1 figure (435) is a *fleet stock / definition-based estimate*, while the 2023 and 2025 figures (156; 155; 173) are *operational monthly counts of tankers observed carrying Russian oil/products and/or involved in STS transfers*. They should be read as complementary indicators (stock vs observed activity), not as a perfectly harmonised time series.

Sources:

- KSE Institute, Russian Oil Tracker (Sep 2023) — shadow fleet tankers estimate (Aug 2023).
- KSE Institute, “Assessing Russia’s Shadow Fleet...” (Q1 2024 stock estimate and breakdown).
- KSE Institute (Aug 2025 activity count) referenced via support4partnership summary of KSE Oil Tracker Sep 2025.
- KSE Institute, Russian Oil Tracker (Dec 2025 PDF).

3.3.8. Industrial Output Dynamics in Russia for 2025: Sectoral Winners and Losers

This subsection provides a focused set of corporate-level statistical indicators for 2025 that complements the macroeconomic and sectoral evidence presented in earlier parts of the report. While aggregate indicators may suggest short-term stabilisation through fiscal support, reorientation of trade flows and administrative controls, corporate financial reporting offers a more granular perspective on the underlying cost of adaptation. In the sanctions’ context, the corporate layer is particularly informative because it captures the transmission of restrictions into profitability, financing conditions, supply-chain frictions and capital expenditure pressures.

The analysis below relies on net profit/loss figures reported under Russian Accounting Standards (RAS) for January–September 2025. This approach is used as a pragmatic proxy for near-real-time financial stress across large systemically relevant entities and major industrial groups. Although RAS results do not fully mirror IFRS treatment, they remain a useful indicator of operating strain and balance-sheet adjustment within the domestic regulatory environment. In addition, the selected time window (Jan–Sep) is appropriate for identifying stress accumulation during the operational year before year-end accounting effects and extraordinary adjustments.

From an analytical standpoint, the ranking of largest corporate losses should not be interpreted solely as a “performance” metric; rather, it is an indicator of where sanctions-related constraints, reconfiguration costs and financial tightening are being internalised. Large losses in strategic incumbents may reflect a combination of impaired export economics, discounting and intermediation costs, disruptions to technology and services inputs, and a rising cost of capital. In capital-intensive sectors, reported deterioration may also be associated with investment cycles, procurement frictions and the need to sustain continuity under constrained access to critical components and external markets.

Finally, the distribution of losses across sectors provides a structural lens for assessing the effectiveness and limits of Russia’s adaptation mechanisms. A concentrated loss profile—where a small number of major entities account for a disproportionate share of total losses—can imply that fiscal and quasi-fiscal support is increasingly required to stabilise strategic enterprises, while simultaneously reducing the economy’s long-term investment capacity. To operationalise this assessment, the subsection first presents the top loss-makers under RAS for January–September 2025, followed by a concentration metric that illustrates the extent to which financial stress is concentrated within a narrow set of firms.

As shown in Table 3.3.8-1, the largest reported net losses in January–September 2025 are concentrated among a limited number of systemically important enterprises, with a pronounced gap between the top two entities and the remainder of the top-10 cohort. This distribution is used below as a corporate-level proxy for the sectoral localisation of financial stress under the 2025 operating environment. The table 3.3.8-1 summarises the ten largest corporate net losses in Russia for January–September 2025 (RAS), serving as the empirical basis for the subsequent figures and interpretation.

Table 3.3.8-1. Largest Corporate Net Losses in Russia, Jan–Sep 2025

Rank	Company	Sector	Net Loss (RUB bn)
1	Gazprom	Natural Gas / Energy	170.3
2	Rosenergoatom Concern	Nuclear Power Generation	116.3
3	O’Key Group	Retail	41.4
4	KAMAZ	Automotive / Heavy Trucks	29.1
5	Atomenergoprom	Nuclear Energy Holding	26.9
6	United Engine Corporation (UEC)	Aerospace / Defence	26.7
7	Yuzhny Kuzbass	Coal Mining	15.5
8	Ilyushin	Aircraft Manufacturing	13.8
9	Ural Steel	Metallurgy	12.6
10	Segezha Group	Forestry / Pulp & Paper	11.2

Source: Compiled from Russian corporate disclosures (RAS), as reported by Novye Izvestiya, 2025.

Figure 3.3.8-1 indicates a highly uneven distribution of corporate losses across Russia’s large enterprises in January–September 2025 (RAS), with the top two entities alone accounting for a dominant share of the total losses recorded by the “top-10” cohort. The ranking is led by Gazprom (RUB 170.3 bn) and Rosenergoatom Concern (RUB 116.3 bn), followed at a considerable distance by O’Key (RUB 41.4 bn) and then a cluster of industrial and resource companies in the RUB 11–29 bn range. This shape is characteristic of a system where shocks are transmitted asymmetrically: a small number of strategic incumbents absorb a disproportionate financial burden, while the remainder experience smaller—but still material—profitability erosion.



Figure 3.3.8-1 — Top 10 Russian Companies by Net Loss (Jan–Sep 2025, RAS), RUB bn
Source: Compiled from Russian corporate disclosures (RAS), as reported by Novye Izvestiya, 2025.

The prominence of Gazprom at the top of the loss distribution is analytically consistent with the structural contraction of Russia’s historically most lucrative gas export channels, particularly towards Europe, and the imperfect substitutability of pipeline-based market access. Even where volumes can be partially redirected, the combination of weaker netbacks, higher transport and intermediation costs, and a more complex payment and settlement environment tends to compress margins. Under RAS accounting, additional factors may be reflected through revaluations, provisioning, and the cost effects of re-engineering supply chains and contract structures—dynamics that often become most visible in large state-linked firms tasked with maintaining system stability irrespective of short-term profitability.

The second-largest loss—Rosenergoatom Concern—and the presence of Atomenergoprom within the top ten suggests that the nuclear segment is experiencing its balance-sheet pressures. This should not be read simplistically as a “sanctions-only” story; rather, it likely reflects a compound of capital intensity, investment cycles, financing conditions, and the fiscal–industrial role of the sector. Nevertheless, restrictions on advanced components, project financing frictions, and wider macro-financial tightening can amplify cost-of-capital and execution risk, which then surfaces as weaker reported results. The appearance of two major nuclear entities in the top-loss group is therefore a signal of strain in Russia’s long-horizon infrastructure complex—precisely the part of the economy that underpins strategic resilience narratives.

A distinct pattern is observed in the mid-tier losses, where KAMAZ, United Engine Corporation, and Ilyushin indicate stress concentrated in heavy manufacturing and the defence-industrial supply chain. In this segment, losses are plausibly driven by a mix of import substitution costs, tooling and certification hurdles, constrained access to high-performance components (notably in engines, avionics, and precision manufacturing), and the operational friction of parallel import routes. Importantly, “higher output” does not mechanically translate into profitability: in many defence-adjacent industries, volumes can rise while unit economics deteriorate, especially if production relies on costly substitutes, accelerated procurement cycles, and the need to maintain continuity under constraints.

The inclusion of Yuzhny Kuzbass (coal), Ural Steel (metallurgy), and Segezha Group (forestry/pulp) points to a second channel of pressure: commodity and semi-finished exporters facing a more adverse trade geography. Even when markets remain open, the combined effect of longer logistics, higher insurance and freight premia, discounting to clear volumes, and episodic payment risk can cumulatively erode profitability. For forestry and pulp, additional vulnerability stems from the loss of certain premium demand segments and technology dependencies in processing, packaging, and equipment renewal. The

result is a “squeeze” profile: firms remain operational, but with weakened margins and reduced capacity for reinvestment.

O’Key introduces a consumer-facing dimension into the loss distribution, indicating that sanctions-linked macro conditions (inflation persistence, interest rates, real disposable income dynamics, and import composition shifts) can translate into retail balance-sheet stress. Retail is also exposed to the reconfiguration of supply chains, availability of branded assortments, and higher working-capital needs. Under a high-rate environment, inventory financing becomes more expensive, and discounting strategies to maintain volumes can directly harm profitability. The presence of retail among strategic-industrial loss-makers therefore reinforces the interpretation of 2025 as a year where both “state-core” and “household-exposed” segments experienced measurable strain.

Figure 3.3.8-2 (concentration) formalises what Figure 3.3.8-1 suggests visually: losses are strongly concentrated in the top names, producing a Pareto-like pattern. The leading firms account for a large portion of total losses within the top-10 set, meaning that systemic financial stress is not evenly distributed but instead anchored in a small number of large, politically and infrastructurally central entities. This concentration has two implications for sanctions analysis. First, the macro impact can be muted in aggregate terms if losses are absorbed through state support, cross-subsidisation, or balance-sheet engineering, even while the microeconomic damage is severe within key firms. Second, concentration increases policy leverage: targeting bottlenecks in finance, technology, shipping/insurance, and high-value services can disproportionately affect the entities that dominate the loss distribution, thereby raising the marginal cost of adaptation.

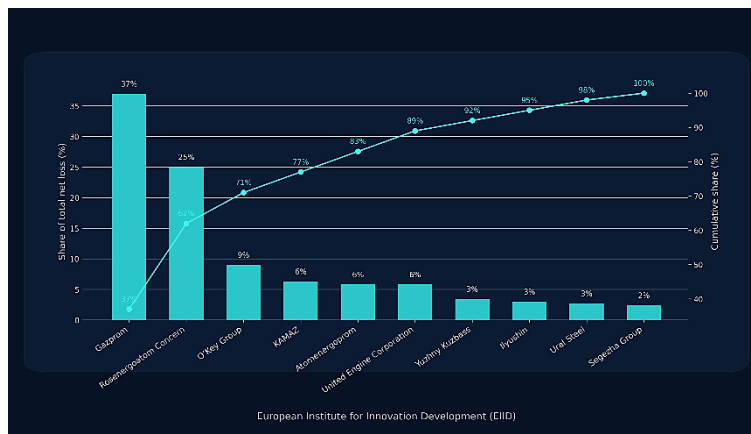
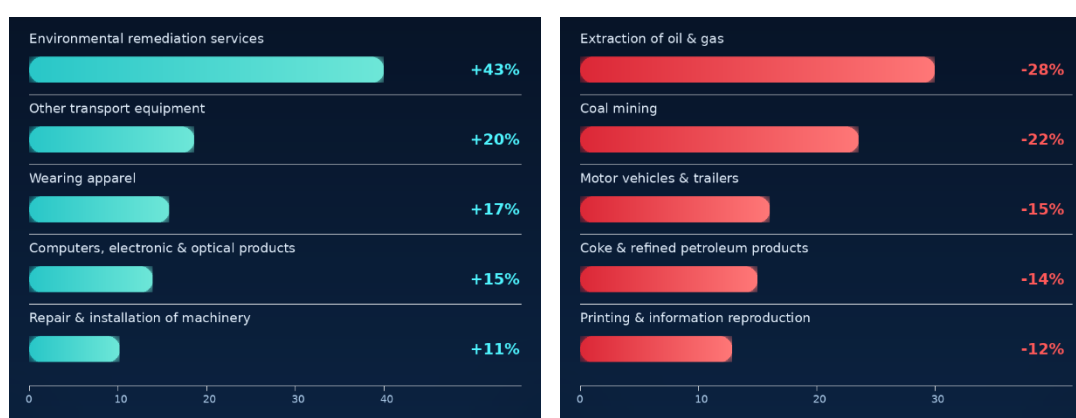


Figure 3.3.8-2 — Concentration of Corporate Net Losses (Top 10), Jan–Sep 2025 (RAS)
Source: Compiled from Russian corporate disclosures (RAS), as reported by Novye Izvestiya, 2025.

Overall, the two figures support a structured reading of Russian economic adaptation in 2025: the economy may maintain operational continuity, yet does so with growing financial inefficiency concentrated in flagship incumbents and capital-intensive complexes. For the report’s sanctions logic, this is a crucial distinction: “resilience” in output terms can coexist with deteriorating corporate economics, deferred investment, and the gradual exhaustion of balance-sheet buffers. In this sense, Figure 3.3.8-1 and Figure 3.3.8-2 are not merely descriptive rankings; they provide an empirical lens into where constraints are accumulating—energy export incumbency, nuclear infrastructure, defence-industrial manufacturing, and trade-exposed commodity processing—offering a grounded basis for the subsequent policy discussion in 3.4.

Figures 3.3.8-3 and 3.3.8-4 provide a compact but highly informative snapshot of Russia’s sectoral industrial dynamics in 2025, showing the top five segments with the fastest expansion and the top five segments with the steepest contraction in the volume of shipped industrial output and completed works (% y/y). Read together, the two panels do not simply describe “growth versus decline”. They outline a

structural rebalancing under sanctions pressure, where growth is concentrated in sectors that are either repair-driven, substitution-driven, or administratively stimulated, while decline clusters around energy extraction and energy-linked heavy industries (Figures 3.3.8-3 and 3.3.8-4).



Increase in volume of shipped 2025 industrial output in percentage to 2024

Decrease in volume of shipped 2025 industrial output in percentage to 2024

Source: Compiled from Russian corporate disclosures (RAS), as reported by Novye Izvestiya, 2025.

On the expansion side, the headline outlier is Environmental remediation services (+43%), which dominates the “winners” list in Figure 3.3.8-3. Such a spike is typically less indicative of broad-based industrial modernisation and more consistent with project-based surges: remediation and clean-up contracts, infrastructure reclassification, emergency-response work, or public procurement cycles. In sanctions conditions, this may also reflect re-routing of industrial activity into compliance, mitigation, and maintenance expenditure, where firms and regions prioritise operational continuity (safety, environmental controls, basic maintenance of industrial sites) rather than capex-intensive expansion.

A second cluster of positive dynamics in Figure 3.3.8-3 is closely aligned with import substitution and war-economy logistics: Other transport equipment (+20%), Wearing apparel (+17%), and Computers, electronic & optical products (+15%). In practical terms, these categories are consistent with demand reallocation—towards transport solutions, equipment and components that can be assembled from mixed supply chains, and mass procurement categories. Importantly, these “growth” readings should not be over-interpreted as evidence of technological upgrading. Under sanctions, measured output can increase through assembly, refurbishment, localisation of final-stage production, and shifts in statistical classification, even when constraints persist in machine tools, high-end electronics, and specialised inputs.

The final growth category—Repair & installation of machinery (+11%)—is particularly diagnostic of sanctions-induced industrial behaviour (Figure 3.3.8-3). When replacement imports are constrained, firms substitute towards repair, cannibalisation of parts, re-engineering, and life-extension of capital stock. This is a rational adaptation strategy but carries medium-term costs: rising maintenance burdens, declining reliability, and a gradual erosion of productivity if the underlying capital base cannot be renewed. In other words, the “repair economy” can support near-term continuity, while simultaneously signalling structural stress in the investment cycle.

By contrast, Figure 3.3.8-4 concentrates the negative dynamics in Russia’s energy backbone: Extraction of oil & gas (–28%) and Coal mining (–22%). These declines are strategically significant because they sit upstream of a wide industrial ecosystem (transport, services, metallurgy, regional fiscal stability). The magnitude suggests not just cyclical weakness but the interaction of constraints: reduced access to certain export markets and shipping services, pricing and discount pressures, rising transaction costs, and operational complications across the supply chain. Even where volumes remain resilient in absolute

terms, the steep y/y contraction indicates that the sector is no longer able to offset the combined effects of sanctions, redirection logistics, and demand constraints with the same effectiveness as earlier adaptation phases.

The remaining “losers” list in Figure 3.3.8-4—Motor vehicles & trailers (–15%), Coke & refined petroleum products (–14%), and Printing & information reproduction (–12%)—adds nuance to the picture. The motor vehicle segment is a classic sanctions-sensitive industry: it is input-dependent (components, tooling, electronics), sensitive to consumer purchasing power, and exposed to supply chain discontinuities. The refined petroleum and coke segment, while energy-adjacent, is additionally impacted by restrictions affecting refining technologies, catalysts, and export logistics; contraction here may also reflect shifts in export patterns and bottlenecks rather than only “demand collapse”. Printing and information reproduction, though smaller, often tracks broader business activity and investment confidence—its decline aligns with reduced corporate spending and a reallocation of budgets to survival-oriented priorities.

Taken together, Figures 3.3.8-3 and 3.3.8-4 suggest that Russia’s 2025 industrial growth pockets are disproportionately concentrated in maintenance, substitution, and procurement-linked activities, while contraction is concentrated in resource extraction and energy-intensive chains. This asymmetry matters for sanctions analysis: it indicates that economic pressure is most visible where Russia faces high exposure to export markets, shipping constraints, and complex input dependencies. At the same time, the existence of positive outliers illustrates that the economy can still generate growth rates in selected niches—yet those niches may represent defensive adaptation rather than sustainable development.

From a policy and forecasting standpoint, the figures imply that Russia’s near-term stabilisation capacity depends on continued ability to (1) re-route trade and logistics, (2) maintain ageing capital stock through repair and substitution, and (3) finance procurement-driven and project-based activity. However, the same pattern also points to longer-term vulnerabilities: if repair replaces replacement for too long, productivity and quality degrade; if energy extraction and related chains underperform, fiscal and regional pressures intensify. Accordingly, these sectoral dynamics provide an empirical bridge between the micro-level signals in corporate reporting and the macro-level mechanism of sanctions impact—where pressure accumulates not only through outright bans, but through cost inflation, supply chain friction, and the gradual narrowing of technological options (see Figures 3.3.8-3 and 3.3.8-4).

3.4. Proposals for Strengthening Economic Pressure

3.4.1. Secondary Sanctions

Secondary sanctions, in the strict sense, are measures that seek to constrain third-country persons and entities by conditioning their access to a major market (or its financial and services infrastructure) on compliance with a sanctions regime that is formally directed at a primary target. In the Russia case, the strategic logic is straightforward: where direct EU prohibitions are increasingly circumvented through non-EU intermediaries, the marginal deterrent effect often depends on whether those intermediaries face credible costs for facilitation. The EU has historically been cautious about adopting U.S.-style secondary sanctions, partly because of concerns about international law, extraterritoriality, and Member State unity. Yet, the EU’s sanctions architecture has been evolving toward stronger anti-circumvention tools and broader enforcement capacity, particularly since 2023–2025 when circumvention became a central policy concern. The European Commission has explicitly framed new packages in terms of “cutting evasion” and deploying anti-circumvention mechanisms, signalling an incremental shift from purely “listing and banning” towards “enforcement and disruption”.

The policy case for secondary sanctions is strongest when three conditions coincide: the sanctioned activity is high-value (e.g., energy revenue, military-critical technology); the facilitation chain is concentrated (e.g., a small number of shippers, insurers, brokers, traders, or financiers); and the enforcing jurisdiction has meaningful leverage (market access, currency settlement, reinsurance, classification, port state control, or compliance networks). Russia’s adaptation pattern since 2022 fits this model: multiple restrictions remain formally in place, yet the practical impact is eroded by an expanding ecosystem of third-country facilitators and re-flagged or re-owned assets, especially in maritime energy logistics and dual-use procurement. Recent EU packages emphasise shadow-fleet disruption and circumvention networks precisely because these are the “pressure transmission channels” where marginal enforcement yields outsized impact. The EU’s price-cap coalition guidance and packages focused on shipping services illustrate that enforcement is becoming a policy instrument, not an afterthought.

The EU’s legal and political constraints do not eliminate the secondary sanctions option, but they shape its feasible design space. In EU law, restrictive measures typically combine CFSP decisions (Article 29 TEU) with implementing regulations (Article 215 TFEU), and in practice the unanimity requirement amplifies veto risks and compresses what can be adopted quickly. A secondary-sanctions model that is framed as a “general extraterritorial assertion” would likely face both legal challenge and political resistance. By contrast, a model that is framed as a targeted “anti-circumvention enforcement tool” tied to clearly defined conduct (facilitation, brokering, concealment, falsification, and service provision) and anchored in EU nexus points (EU persons, EU territory, EU currency settlement, EU-controlled services) is more likely to be viable. The Commission’s public messaging around activating anti-circumvention instruments and the broader EU trend towards enforcement (including criminalisation/harmonisation of sanctions violations) suggests that the EU may be approaching a point where tougher measures are operationally plausible if politically stabilised.

Operationally, secondary sanctions can be conceptualised as a spectrum rather than a binary choice. At the “soft” end, the EU can expand listing of third-country entities that materially support Russia’s military-industrial complex or facilitate circumvention, as has occurred via Annex IV and related mechanisms that include non-Russian entities without formally attributing state responsibility to their jurisdictions. This approach raises compliance costs for a defined set of actors while keeping the legal theory closer to “targeted restrictive measures” rather than broad extraterritorial compulsion. At the “hard” end, the EU could adopt measures that restrict EU market access or service provision to any non-EU person engaging in specified categories of facilitation, irrespective of direct EU nexus—this resembles U.S. secondary sanctions more closely and would intensify legal and diplomatic risk. Between these ends lies a pragmatic “hybrid” approach: conditioning access to specific EU services (insurance, reinsurance, classification, port services, financing, or clearing) on verifiable compliance with anti-circumvention rules. This middle ground is where most realistic EU designs currently sit.

The enforcement centre of gravity for any secondary-sanctions package is the evidentiary standard. If the threshold for “facilitation” is vague, compliance becomes either excessively conservative (harming EU business disproportionately) or selectively enforced (reducing credibility). If the threshold is too stringent, facilitators can exploit legalistic loopholes through layering and opacity. The EU therefore needs a standards framework that is intelligible to compliance teams and defensible in court: definitions for ownership/control, beneficial ownership, “acting on behalf of,” “knowingly and intentionally,” and “reasonable cause to suspect” matter more than rhetorical ambition. The post-2023 enforcement turn suggests that EU policy actors are aware of this and are building mechanisms for stronger traceability and anti-circumvention monitoring. The price cap regime, for example, functions through documentation and attestation logic: service providers are permitted to operate only if the transaction meets the cap conditions, forcing market participants to generate and retain evidence.

Financial sector leverage remains the most powerful and least substitutable channel for a secondary sanctions strategy, but only if executed with precision. Russia’s external transactions increasingly rely on non-EU channels; however, EU-linked compliance norms still shape global banking, insurance, and

corporate governance practices because large institutions avoid reputational and regulatory risk. A targeted approach could prioritise specific behaviours: providing trade finance for restricted goods; processing payments for shadow-fleet services; offering insurance/reinsurance or P&I coverage to vessels engaged in prohibited Russian energy trades; or servicing entities listed for supporting Russia's defence sector. In each case, the EU does not need to "sanction the world"; it needs to impose a credible compliance perimeter around defined high-risk transactions, making facilitation economically irrational. This is consistent with the broader EU and G7 narrative of tightening enforcement around maritime services and energy logistics.

Maritime logistics is the second pillar where secondary sanctions can produce disproportionate effects because the shadow fleet is simultaneously Russia's workaround and a vulnerability. Shipping is not merely "transport"; it is an integrated stack of services: insurance, classification, flagging, crewing, ship management, port access, ship-to-ship transfers, AIS behaviour, financing, and brokering. EU packages have already moved aggressively on shadow-fleet listings and related restrictions, and policy debate continues around service bans and stricter inspections. Secondary sanctions could be targeted at the service providers that enable shadow-fleet operations—especially where those providers rely on EU reinsurance markets, EU financial institutions, or EU-recognised classification systems. Importantly, the point is not to eliminate global shipping capacity but to force the most evasive segment into higher costs, higher risks, and lower reliability, thereby reducing Russia's net revenue and increasing operational friction.

Trade-industrial enforcement is the third area where secondary sanctions can be impactful, particularly for dual-use goods, advanced technologies, and machine tools. The EU has already oriented several packages toward circumvention of export controls and the rerouting of goods via third countries, acknowledging that Russia's military-industrial output depends on imported components and manufacturing inputs. In this context, secondary sanctions work best when they are deployed as "network disruption" rather than broad embargo: identify the small number of freight forwarders, distributors, customs brokers, and trading companies that repeatedly appear in diversion pathways, and impose restrictive measures that make continued facilitation incompatible with EU business. Annex-based mechanisms that list high-risk entities in third countries, combined with tighter due diligence obligations for EU exporters, are stepping stones toward a de facto secondary sanctions effect without explicitly adopting U.S.-style extraterritorial doctrine.

The credibility of secondary sanctions also depends on whether the EU can scale enforcement resources and harmonise penalties across Member States. If enforcement is fragmented, facilitators will route through the weakest link. The EU's move to harmonise criminal offences and penalties for sanctions violations was explicitly motivated by the need to close enforcement gaps and reduce forum shopping within the Single Market. A secondary sanctions strategy would therefore need to be paired with a compliance and enforcement architecture that includes: risk indicators, common typologies, data sharing, and coordinated investigations, possibly using EU-level bodies and cross-border prosecutorial coordination. In practical terms, this means building an enforcement "production line" that can process evidence, support listings, defend decisions in court, and update risk indicators quickly. The institutionalisation of enforcement is what transforms sanctions from symbolic signals into sustained economic pressure.

A key design choice is whether the EU should pursue secondary sanctions unilaterally or as part of a coordinated "coalition enforcement" approach. Unilateral EU action can be fast and coherent within EU legal tools, but it can also shift activity to non-participating jurisdictions and trigger diplomatic pushback. Coalition action (with the UK, US, Canada, Japan, Australia and others) increases coverage and reduces arbitrage, but coordination is politically and administratively complex. The price cap coalition is an example of partial coordination that still leaves enforcement gaps when participants' political decisions diverge. From a purely economic pressure standpoint, coordinated action is superior because it reduces substitution options; from an implementation standpoint, the EU often uses phased

approaches: first tightening compliance obligations and listing facilitators, then escalating to broader restrictions if circumvention persists.

Secondary sanctions also create non-trivial trade-offs for EU businesses and for the EU's broader economic diplomacy. The moment the EU begins conditioning access to EU services or markets on third-country compliance, it increases the probability of retaliation, countersanctions, or legal disputes, and it can complicate relations with jurisdictions that the EU otherwise seeks to keep aligned. That does not mean the instrument is unusable; rather, it requires careful prioritisation and "targeted pain" logic: focus on the most critical facilitation nodes where the economic and security payoff is highest and where alternative compliance pathways exist. This is why maritime services, high-risk dual-use diversion networks, and financial facilitation are recurring candidates: they sit close to EU and allied leverage points and have high relevance to Russia's war-financing capacity. A credible strategy also requires safe-harbours and compliance guidance for legitimate trade to prevent over-deterrence.

A practical secondary sanctions regime needs a clear targeting taxonomy. One-layer targets "direct enablers" (entities that provide prohibited services or trade finance). A second layer targets "structural facilitators" (shell companies, nominee directors, compliance-avoidance consultancies, and freight forwarders specialising in high-risk routes). A third layer targets "asset platforms" (specific vessels, ship management firms, insurers, and brokers) that operationalise circumvention. The most efficient enforcement tends to begin with the asset and service layer because it is observable (vessels, insurance certificates, port calls) and then progress to the financial and corporate network layer as evidence accumulates. The EU has already demonstrated capacity to list vessels and entities involved in shadow fleet operations, and it has signalled an intention to tighten anti-circumvention measures further. Secondary sanctions, in this sense, become an escalation pathway rather than a discontinuous policy leap¹.

Table 3.4.1-1. Secondary sanctions design options: instruments, leverage points, and key constraints (conceptual framework)

Option	Primary target behaviour	EU leverage point	Enforcement mechanism	Key constraint / risk
A. Targeted listing of third-country facilitators	Facilitation of restricted trade / services	EU financial system and compliance norms	Asset freezes: 'no funds/resources' rule	Evidence threshold; litigation risk
B. Service-conditionality for maritime stack	Shadow-fleet enabling services	EU insurance/reinsurance, classification, ports	Service bans conditioned on documentation	Substitution to non-EU services; monitoring burden
C. Trade-finance perimeter	Financing of restricted goods	EU correspondent banking; EU corporates	Prohibit financing/insurance of high-risk trades	Spillovers to legitimate trade
D. Diversion-network disruption	Re-export of dual-use / advanced tech	EU exporters and compliance perimeter	Enhanced due diligence + entity listing	Data gaps; third-country diplomacy
E. Coalition enforcement escalation	Systemic circumvention at scale	Combined G7/EU market access	Coordinated lists + harmonised enforcement	Coordination costs; political divergence

Authorship: analytical framework (this report) was prepared by the author

Secondary sanctions must also be evaluated through the lens of Russia's adaptive capacity and the likely shape of circumvention under intensified pressure. When one route is closed, flows do not disappear. They re-route through higher-cost, higher-friction pathways. This is a feature, not a bug, if the policy objective is revenue compression and cost inflation rather than total trade elimination. For oil and refined products, the objective is to reduce netbacks through tighter service compliance and higher risk premia, while avoiding global price spikes. For dual-use and advanced technology, the objective is to reduce availability, increase lead times, and degrade quality, thereby lowering the productivity of

¹ What's in the EU's new Russia sanctions. <https://www.reuters.com/business/energy/whats-eus-new-russia-sanctions-2025-05-20>

Russia's military-industrial complex. Secondary sanctions can accelerate these effects by raising the expected cost of facilitation for the marginal intermediary.

A sophisticated regime would incorporate “risk scoring” rather than relying solely on binary prohibitions. For instance, third-country entities could be categorised into tiers: those definitively involved in circumvention (eligible for listing), those operating in high-risk corridors (subject to enhanced due diligence), and those in low-risk sectors (normal compliance). This approach reduces collateral damage and increases the legitimacy of enforcement in judicial review. It also helps align compliance incentives: firms will invest in due diligence if the rules are predictable and the penalties credible. EU-level guidance, similar in spirit to price-cap documentation guidance, can standardise what “good faith compliance” looks like. Such governance is essential because secondary sanctions, if executed clumsily, risk becoming politically unsustainable.

The EU's evolving approach to circumvention suggests an emerging preference for tools that can be framed as defensive and proportionate. The “anti-circumvention mechanism” described in policy literature operates as a last-resort restriction on exports to third countries judged to be at high risk of diversion, which is conceptually different from punishing those countries; it is a risk-control measure for EU trade. The Commission's statements about activating anti-circumvention tools reinforce that the EU is willing to escalate within its legal logic when evasion persists. Secondary sanctions can be designed to fit this narrative by focusing on conduct (facilitation) and measurable indicators (shipping patterns, documentation anomalies, ownership opacity). The more the EU can demonstrate that measures respond to demonstrable circumvention, the easier it is to sustain political unity and withstand legal challenges.

There is also a sequencing logic: the EU can treat secondary sanctions as a “capstone” instrument deployed after other mechanisms have been tried and documented as insufficient. In practice, this means: first expanding listings, tightening due diligence, and improving data; second deploying targeted service restrictions and enforcement inspections; third escalating to broader conditionality for persistent facilitators. Such sequencing is consistent with the EU's package-by-package tightening since 2024–2025 and with the broader move toward enforcement capacity. It also reduces diplomatic shock and gives third-country actors an opportunity to disengage before being targeted. From an economic pressure perspective, sequencing is valuable because it maximises compliance through deterrence rather than relying on punitive reach alone. It also reduces the risk of fragmentation within the EU, where some Member States fear economic blowback more than others.

In designing the instrument, the EU must pay attention to measurement: how will success be assessed? A credible evaluation framework would track not only nominal trade flows but also indicators of friction: discount levels, freight premia, insurance costs, voyage times, incident rates, and the prevalence of opaque ownership structures. For technology controls, metrics could include seizure data, re-export anomalies, the appearance of controlled components in battlefield recoveries (where available), and shifts in import composition. Without measurement, secondary sanctions can drift into symbolic politics; with measurement, they become a learning system that can be tuned to maintain pressure. The rise of specialised sanctions analytics and maritime risk intelligence makes such measurement increasingly feasible, though care must be taken to validate sources and avoid politicised over-interpretation.

A further constraint is the distributional impact within the EU: enforcement-heavy approaches often impose higher compliance costs on EU service providers, especially in finance and maritime services. If compliance costs rise disproportionately for smaller operators, the policy can generate internal political resistance. This can be mitigated through standardised guidance, safe-harbour frameworks, and targeted public-private coordination. The EU's experience with price cap attestation and documentation systems provides a template: compliance becomes manageable when the evidentiary burden is clear, and when regulators offer guidance on red flags and due diligence. A mature secondary sanctions regime

would extend this logic beyond oil into high-risk trade corridors and service stacks. The goal is to shift the compliance frontier outward—making facilitation costly—without paralysing legitimate commerce.

The strategic interaction dimension also matters: Russia and facilitating networks will adapt once secondary sanctions are credible. This will likely include deeper ownership obfuscation, greater reliance on jurisdictions with weak transparency, and a shift toward non-EU services where possible. Therefore, secondary sanctions should be coupled with transparency tools: beneficial ownership disclosure requirements for EU-linked transactions, tighter KYC/KYB standards in high-risk sectors, and cross-border information exchange. The EU's broader trajectory toward stronger enforcement and the inclusion of third-country entities in restrictions suggests that these tools are moving from optional to necessary. At the same time, the EU must avoid the trap of chasing every workaround; the focus should remain on the highest-value revenue and capability streams.

In conclusion, the EU can intensify economic pressure through a carefully scoped secondary sanctions strategy that functions as an anti-circumvention enforcement escalation rather than a wholesale importation of the U.S. model. The highest-impact path is to focus on clearly defined facilitation behaviours within sectors where EU leverage is strongest: maritime services supporting energy revenues, financial facilitation of restricted trade, and diversion networks for dual-use and advanced technologies. The design must prioritise defensible evidentiary standards, sequencing, measurement, and internal EU enforcement capacity, leveraging the EU's recent moves toward stronger anti-circumvention tools and harmonised sanctions enforcement. Done well, secondary sanctions increase the marginal cost of evasion, compress Russia's net revenue, and degrade its ability to sustain military-industrial output by lengthening supply chains and raising risk premia. Done poorly, they risk legal vulnerability, diplomatic blowback, and uneven implementation that invites arbitrage. The policy imperative is therefore precision: target the nodes that matter, build a repeatable enforcement pipeline, and calibrate escalation to observable circumvention patterns.

3.4.2. Extraterritorial Measures

Extraterritorial measures, in the sanctions context, are policy tools designed to shape behaviour beyond the EU's territory by leveraging legal jurisdiction, market access, and control over key nodes of the global economy. Their purpose is not merely to "extend EU law abroad" in a crude sense, but to ensure that EU restrictive measures retain operational effectiveness when targeted actors shift transactions to third-country jurisdictions. In the Russia case, circumvention has repeatedly relied on exactly such jurisdictional and infrastructural arbitrage: ownership re-structuring, re-flagging, third-country trading houses, and service substitution. Extraterritorial measures address this by increasing the expected cost of facilitation for actors who may not be EU-based but still depend on EU-linked value chains. The policy challenge is that the EU must do so without undermining its legal order, trade policy credibility, and internal market cohesion. In practice, "extraterritoriality" is therefore best understood as a calibrated spectrum of instruments rather than a single doctrine. The central question is which levers provide high enforcement yield while remaining legally defensible and politically sustainable. A well-designed extraterritorial package is thus less about ambition and more about precision, sequencing, and evidentiary discipline.

The EU already has several jurisdictional "hooks" that enable outward-reaching sanctions effects without formally declaring an extraterritorial theory of jurisdiction. The most straightforward hook is person-based: EU nationals and EU-incorporated entities remain subject to EU restrictive measures wherever they operate, including through subsidiaries, branches, and employees abroad. A second hook is territory-based: conduct occurring in EU territory, including the use of EU ports, EU banking services, EU insurance markets, or EU-based professional services, can be regulated even where counterparties are non-EU. A third hook is transaction-based: the use of EU currency settlement, EU correspondent banking, EU-regulated clearing, or EU-recognised certification often creates a compliance nexus. These hooks matter because the EU does not need to "police the world"; it needs to police the choke-points it

controls, and those choke-points can be highly consequential. The practical efficacy of extraterritorial measures therefore depends on mapping the transaction stack and identifying where EU leverage is structurally difficult to replace. If the hook is robust and the requirement is measurable, the resulting effect can be extraterritorial in practice while remaining jurisdictionally grounded in law. This is the core design principle that allows extraterritorial measures to fit within EU constitutional and judicial constraints.

A foundational constraint is the EU's preference for legality, proportionality, and judicial review, which requires that measures be framed in clear, foreseeable terms. Vague extraterritorial demands produce two undesirable outcomes: they invite court challenges and they push compliance teams into over-deterrence that can harm legitimate trade. Consequently, an EU-compatible approach tends to rely on defined conduct categories, such as "brokering", "facilitating", "providing services", "circumventing", and "making funds or economic resources available". The more these categories are linked to documentary triggers—shipping records, insurance certificates, end-user statements, beneficial ownership declarations—the more defensible they become. This is also why the EU has, over time, emphasised anti-circumvention language and due diligence expectations: these are enforceable through evidence, not guesswork. In addition, the EU must align extraterritorial enforcement with Member State capacities, since implementation typically occurs via national competent authorities. The legal form can be EU-level, but the enforcement reality is distributed, and that distribution must be accounted for at design stage. A high-impact extraterritorial measure is thus one that can be checked, documented, audited, and litigated successfully. The EU's strategic advantage is not maximal coercion, but institutionalised compliance.

A further doctrinal consideration is that extraterritorial measures cannot be treated as purely technical instruments; they are also diplomatic signals. When the EU conditions market access or service provision on third-country behaviour, it shapes perceptions of sovereignty and reciprocity, especially among jurisdictions that act as re-export hubs. That does not necessarily preclude such measures, but it raises the bar for justification and careful targeting. The EU can mitigate diplomatic friction by focusing on narrow, high-risk corridors rather than broad jurisdictional claims. It can also structure measures as "risk controls" for EU operators—enhanced due diligence, reporting duties, and service conditionality—rather than as direct orders to third countries. This reframing is not cosmetic; it changes the legal posture and the political defensibility of the policy. Moreover, the EU can build credible "exit routes" for third-country actors: clear compliance pathways, safe harbours, and delisting conditions. This reduces the impression of arbitrary coercion and strengthens the legitimacy of enforcement. In the Russia context, where circumvention networks often operate through a relatively small set of intermediaries, this targeted approach is usually sufficient. The objective is to raise the cost of facilitation for the marginal intermediary, not to force comprehensive alignment by every third country.

One of the most practical extraterritorial instruments is the creation of compliance obligations that follow EU firms across borders, including through corporate groups and supply chains. In a sanctions-intensive environment, corporate structures are frequently used to ring-fence risk: a non-EU subsidiary may be positioned as the "front end" for high-risk trade while the EU parent claims formal distance. An effective extraterritorial approach closes this gap by imposing group-level duties: group sanctions policies, group audits, and group accountability for facilitation. This does not require inventing new extraterritorial powers; it requires clarifying what "control" means and how compliance responsibilities propagate. In practice, enforcement can focus on governance failures: inadequate due diligence, knowingly deficient controls, or toleration of opaque beneficial ownership arrangements. When combined with meaningful penalties—financial sanctions, licensing restrictions, or disqualification from EU procurement—this creates strong incentives for group-wide compliance. The economic pressure effect is indirect but substantial: intermediaries lose access to EU partnerships, financing, or premium markets. For Russia-linked transactions, which increasingly rely on complex corporate layering, this governance-based approach is particularly relevant. It turns "distance" into liability rather than protection.

Trade-based extraterritorial measures are often misunderstood as mere tariffs or bans; in practice, they are compliance architectures embedded in customs and origin rules. The EU can tighten rules of origin, impose presumptions of Russian origin for high-risk commodity blends, and require traceability for goods known to be re-exported through third countries. The objective is to reduce the profitability of relabelling and transshipment strategies that disguise Russian content or Russian financing. Where direct bans exist, the main vulnerability is substitution through processing or minimal transformation in third countries. Strengthening origin and transformation criteria raises the cost of such schemes and increases the risk of seizure or denial of entry. This is an extraterritorial effect achieved through border control: the EU does not regulate third-country production; it regulates the conditions under which goods may enter the Single Market. If the system is designed well, it changes third-country incentives because access to the EU market becomes conditional on credible documentation. The challenge is implementation capacity: customs need risk indicators, data, and audit powers. If customs lack this, the system becomes symbolic and easily gamed. Therefore, trade-based extraterritoriality must be designed with operational realism in mind.

A particularly powerful version of trade-based extraterritoriality is the use of “anti-circumvention presumptions” in high-risk corridors. Instead of requiring authorities to prove circumvention case-by-case, the EU can define risk categories where the burden shifts toward documentation and verification. For example, certain HS codes, certain origin-destination pairs, or certain firms with known diversion patterns could trigger enhanced due diligence requirements. The policy logic resembles modern AML risk-based regulation: resources are focused on high-risk nodes rather than spread evenly. This approach can be paired with compliance incentives: fast lanes for firms with certified compliance systems and slow lanes for firms with weak transparency. Such differentiation is economically meaningful because time is money in trade. Applied to Russia-linked circumvention, it can reduce the attractiveness of diversion pathways that rely on speed, opacity, and volume. It also creates a deterrence effect that is not dependent on prosecuting every infraction. However, it must be calibrated to avoid systemic disruption of legitimate trade with third countries. A narrow, evidence-based risk typology is therefore essential, and it should be updated dynamically as diversion patterns change.

Services and finance are the EU’s most structurally powerful extraterritorial levers because global commerce depends on service “stack” access even when physical goods flow elsewhere. In maritime trade, for instance, the availability of credible insurance, reinsurance, classification, and technical certification can determine whether shipping is viable, bankable, and acceptable in ports. In financial trade, access to correspondent banking, clearing, and compliance-recognised payment chains shapes transaction feasibility and cost. The EU can deploy service conditionality: no EU-linked service provision unless documentation meets defined standards, such as price cap compliance, origin verification, or end-use assurance. This design yields an extraterritorial effect while remaining formally a regulation of EU-linked services. It also reduces the need to chase the cargo itself; instead, the EU targets the services without which cargo becomes more expensive and riskier. The risk, of course, is substitution: non-EU services may expand. Yet substitution is rarely perfect, and it often carries a significant risk premium, particularly for high-risk cargoes and jurisdictions. Therefore, service-stack restrictions can generate persistent cost inflation even when volumes adapt. This is one of the most credible pathways for sustained economic pressure.

A core trade-off in services-based extraterritoriality is the balance between precision and systemic disruption. Overly broad service bans can generate spillovers into global markets and can amplify prices, which may weaken political support within the EU. Overly narrow bans may be circumvented via minimal documentation changes or a shift to marginal service providers. The solution is layered design: define “prohibited services” for clearly identified high-risk categories, then define “restricted services” that are permitted only under documentary conditions. This is the logic that makes attestation regimes workable: compliance becomes a procedural pathway rather than an absolute wall, which reduces unintended consequences. In addition, the EU can target specific service nodes that are hard to replace, such as reinsurance capacity, top-tier classification acceptance, or EU-based professional services essential

for corporate operations. This reduces substitution risk while limiting spillovers. A second mitigation is coordination with allied jurisdictions; shared standards reduce arbitrage opportunities. For Russia-linked trade, the optimal design often focuses on the “shadow economy segment” rather than the entire market. That is, the policy should aim to degrade the reliability and profitability of evasive networks, not to destabilise legitimate global commerce.

Corporate liability for non-EU affiliates is another area where extraterritorial measures can be sharpened without adopting an openly extraterritorial doctrine. The EU can require EU parents to implement and certify sanctions compliance across their global groups, with enforcement focused on governance failures. It can also impose due diligence duties on EU firms when dealing with third-country counterparties, including verification of beneficial ownership, control, and end-use. Where high-risk goods and services are involved, the duty can be elevated to a “reasonable measures” standard with auditability. This creates a compliance perimeter that third-country firms must satisfy if they want EU business. It also changes incentives for third-country facilitators who rely on EU-linked supply chains. In effect, the EU exports compliance norms through commercial necessity rather than through direct jurisdictional claims. The approach is scalable because it leverages the private sector’s compliance systems rather than relying solely on public enforcement. Yet it also has costs: it increases compliance burdens for EU firms and can disadvantage smaller operators. Therefore, guidance, standard templates, and risk indicators become essential policy complements. Without these, the regime can drift into uncertainty and over-compliance.

Extraterritoriality also interacts with “blocking” dynamics, both in law and in geopolitics. Some jurisdictions use blocking statutes to protect their firms from complying with foreign sanctions, framing such compliance as unlawful. While the EU itself has a blocking statute in a different context, the broader lesson is that extraterritorial competition can become a legal tug-of-war. If the EU intensifies extraterritorial measures, it must anticipate that some third countries may respond with protective instruments, or at least with diplomatic resistance. This does not mean the EU should refrain, but it underlines the importance of designing measures that can be defended as legitimate regulation of EU market access and EU services. It also highlights the value of coalition coordination, where the political cost of resistance increases for facilitators. In addition, the EU can reduce the likelihood of blocking escalation by focusing on conduct that is widely recognised as problematic, such as fraud, falsification of documentation, and concealment of beneficial ownership. These are easier to justify than broad “alignment demands”. The EU can also separate messages: the target is not a third country as such, but specific facilitation behaviour. That diplomatic nuance matters for sustainability.

A successful extraterritorial strategy requires an information architecture that can detect circumvention patterns early and support enforcement actions. This includes trade data analysis, shipping intelligence, corporate registry analysis, and financial typologies that identify suspicious routes. Without such a data backbone, measures become reactive and easily outpaced by adaptive networks. The EU can institutionalise data-driven enforcement by creating shared risk indicators, coordinating across customs authorities, and building standardised reporting for high-risk sectors. This is also where the EU can borrow from AML practice: risk-based supervision, typology updates, and feedback loops between regulators and private sector compliance functions. In sanctions, the analogue is a “circumvention typology library” that is updated as patterns evolve. The better this system becomes, the less the EU needs blunt instruments. It can target the small number of high-impact facilitators and the most effective chokepoints. For Russia-linked evasion, where networks often reuse known routes and service providers, this is especially promising. Over time, the strategy can become progressively more efficient as learning accumulates.

Table 3.4.2-1. Extraterritorial measures: practical instruments, legal hooks, and implementation priorities (overview)

Instrument cluster	Typical EU hook	Practical mechanism	High-impact targets	Principal implementation risk
Market-access conditionality	Border/market entry	Origin rules, documentation, presumptions	Commodities, processed products, high-risk HS codes	Customs capacity; misclassification
Service-stack conditionality	EU-regulated services	Insurance/reinsurance, brokering, certification conditions	Shipping, energy logistics, professional services	Substitution; monitoring burden
Finance perimeter controls	EU financial nexus	Correspondent banking, clearing, risk-based restrictions	Trade finance, payment chains, brokers	Spillovers; over-compliance
Group-level compliance duties	EU persons/corporate governance	Audit, controls, certification, liability for facilitation	Multinational groups, EU parents	Litigation; uneven Member State enforcement
Anti-circumvention disruption	Transaction typologies	Listings, due diligence, traceability obligations	Diversion networks, dual-use corridors	Data gaps; diplomatic friction

Authorship: analytical framework (this report) was prepared by the author

The practical operationalisation of extraterritorial measures also depends on licensing and exemptions, which are often overlooked but critical. The EU typically allows limited exceptions for humanitarian needs, safety, and certain essential services, and it often issues licences under defined conditions. This is not weakness. It is an essential mechanism to maintain legitimacy and reduce harmful spillovers. For extraterritorial measures, licensing also functions as a control valve: it allows the EU to impose strict conditions while retaining flexibility to avoid unintended consequences. For example, a service restriction might be coupled with licences for safety-related maritime services or environmental risk mitigation, preventing perverse outcomes. Licensing can also be used strategically to enforce transparency: licences may require disclosures, audits, and documentary evidence that strengthens the EU's information position. Over time, licensing data can inform better targeting and reduce reliance on broad restrictions. However, licensing also creates an administrative workload and potential inconsistency across Member States. Therefore, harmonised guidance and coordinated licensing standards become important, especially if extraterritorial measures expand. A coherent licensing policy is thus a core component of enforcement strategy.

A central political constraint for extraterritorial measures is intra-EU heterogeneity in exposure and risk tolerance. Some Member States are more sensitive to trade disruption, others to financial sector risk, and others to shipping and port impacts. Extraterritorial tools can therefore become contested not only in foreign policy terms but in internal distributional terms. This is why a phased approach is often necessary: begin with instruments that have strong consensus, such as targeting clear circumvention networks, then expand conditionality once enforcement infrastructure is in place. The EU can also use differentiation: apply stronger measures to the highest-risk routes and entities rather than implementing broad, economy-wide constraints. In addition, the EU can build political resilience through transparency: publish typologies, enforcement actions, and compliance guidance to demonstrate proportionality. A visible enforcement narrative can reduce internal scepticism by showing that measures are aimed at defined illicit behaviour rather than at legitimate commerce. In the Russia case, the salience of circumvention has grown, which may widen the space for tougher tools. Yet policy success depends on maintaining unity and preventing fragmentation. Extraterritorial measures that are seen as unpredictable or excessively burdensome can erode that unity. Therefore, predictability becomes a strategic asset.

Another constraint is the risk of legal challenge, including judicial review within the EU and potential disputes in trade forums. While the EU has strong legal mechanisms for restrictive measures, extraterritorial effects can be contested if they appear disproportionate or insufficiently grounded in EU nexus. This again reinforces the need for clear definitions and strong evidentiary bases. It also argues for “defensive framing” where possible: regulating EU market access, EU services, and EU persons rather than asserting broad external jurisdiction. The EU should also expect that targeted entities will employ sophisticated litigation strategies, especially if measures disrupt high-value operations. Therefore, a mature extraterritorial package must be designed with litigation readiness in mind: documentation, reasoning, proportionality analysis, and regular review mechanisms. The more procedurally robust the measure, the lower the risk of reversal and the stronger the deterrence effect. In addition, legal robustness supports diplomatic messaging, because it allows the EU to present measures as rule-based rather than arbitrary. This is a nontrivial advantage in sustaining coalition alignment. Put bluntly, enforcement without legal resilience tends to be short-lived.

Extraterritorial measures should also be assessed in terms of strategic feedback effects on Russia’s adaptation pathways. If the EU tightens border and service conditionality, Russia and facilitators may intensify efforts to shift toward non-EU services and alternative trade infrastructures. That is not necessarily policy failure; it may still increase costs, reduce reliability, and compress net revenue. The key is to focus on the margin where EU leverage creates persistent friction rather than chasing a theoretical “total cutoff”. For energy and maritime logistics, the objective is typically to increase risk premia, discounting, and operational costs. For dual-use and advanced technology, the objective is to reduce availability, increase lead times, and lower quality, thereby degrading production efficiency. Extraterritorial measures are well suited to these objectives because they operate through transaction frictions and compliance costs. However, their effect is gradual and accumulative; they rarely produce immediate, easily headlineable outcomes. That creates a communications challenge: policymakers may seek quick wins, while the instrument’s strength lies in sustained pressure. Therefore, a monitoring framework is crucial to demonstrate progress through measurable indicators. Without measurement, the political temptation is to either over-tighten or abandon the approach. A disciplined strategy uses metrics to calibrate pressure.

The EU can also integrate extraterritorial measures into broader economic statecraft, particularly when combined with allied coordination and complementary industrial policy. For example, tightening controls on high-risk exports can be paired with support for EU firms in compliance tooling and supply chain diversification. Similarly, tightening service conditionality in shipping can be paired with investments in maritime enforcement capacity and cooperative port state controls. Coalition coordination can reduce arbitrage and signal resolve, but it must accommodate different legal systems and political constraints. The EU’s advantage is the size and regulatory depth of its market; coordination is a force multiplier, not a prerequisite for impact. Yet coordination becomes particularly valuable when dealing with highly mobile networks that can relocate quickly. In the Russia case, many circumvention pathways cross multiple jurisdictions, making coordination important for preventing “whack-a-mole” dynamics. Still, the EU should avoid dependence on perfect coordination; its policy design should be effective even under partial alignment. That implies focusing on levers where the EU has independent influence. Over time, successful unilateral enforcement can itself create incentives for others to align. In this sense, extraterritorial measures can shape norms as much as they constrain transactions.

In conclusion, extraterritorial measures offer the EU a practical route to strengthen economic pressure by closing circumvention pathways and increasing the cost of facilitation outside EU territory, but only if designed as a nexus-based, evidence-driven compliance system rather than a broad assertion of external jurisdiction. The most credible instruments are those that regulate EU market access and EU-linked services—customs and origin controls, service-stack conditionality in maritime logistics, finance perimeter restrictions, and group-level compliance duties—because they combine high leverage with legal defensibility. Success depends on operational capacity: data-driven risk indicators, enforceable documentation standards, harmonised guidance, and an enforcement pipeline resilient to litigation and

adaptive networks. The key strategic payoff is not necessarily a sudden collapse of flows, but a sustained increase in transaction friction that compresses Russia's net revenues, slows technology acquisition, and degrades the efficiency of industrial adaptation. At the same time, the EU must manage spillovers, avoid over-deterrence that harms legitimate trade, and maintain internal cohesion through predictability and proportionality. If implemented with disciplined sequencing and measurable objectives, extraterritorial measures can function as the EU's "pressure amplifier" in areas where direct prohibitions have begun to plateau. If implemented without clarity and enforcement realism, they risk becoming costly symbolism that invites arbitrage and legal reversal. The policy imperative is therefore to treat extraterritoriality as a governance system—one that learns, updates, and targets the nodes that matter most.

3.4.3. Energy-Decarbonisation Linkage of Sanctions

The linkage of sanctions with energy decarbonisation is best understood as a shift from episodic trade restrictions to a structural revenue-and-technology squeeze embedded in long-horizon climate governance. Classical sanctions attempt to disrupt specific flows—barrels, molecules, payments, or services—whereas climate-aligned conditionality reshapes the market rules that determine which flows remain competitive over time. In the Russia case, this is strategically attractive because Russian export rents are historically concentrated in hydrocarbons and hydrocarbon-adjacent value chains. A decarbonisation linkage therefore converts sanctions from a primarily geopolitical instrument into a hybrid economic-regulatory instrument that operates through carbon pricing, emissions-intensity thresholds, disclosure duties, and financing constraints. The operational premise is that sanctions "bite" harder when they reinforce secular demand-side and regulatory trends rather than fighting them. For the EU, the linkage is also institutionally convenient: climate policy already provides measurement, reporting, and verification (MRV) systems, which can be repurposed for compliance and enforcement. This is not a claim that sanctions become "climate policy", but that sanctions can be anchored to climate instruments in a way that is more durable than ad hoc prohibitions. The main design challenge is to preserve legal defensibility and proportionality while still achieving strategic pressure.

A first benefit of the linkage is that it creates a credible long-term expectation of declining market access for high-carbon supply, which reduces investment appetite and increases the cost of capital for the targeted exporter even when near-term volumes persist. Investors and counterparties price not only current restrictions but also policy trajectory, and climate governance is intrinsically trajectory-based. If the EU and aligned jurisdictions signal that high-emissions hydrocarbon supply will face progressively tighter conditions, this influences contracts, shipping, insurance, and infrastructure planning. For Russia, whose fiscal resilience has depended on keeping energy exports investable and bankable, the reputational and financing dimension is almost as important as the volume dimension. A linked regime also erodes the credibility of "pivot" narratives when alternative markets begin to adopt similar emissions disclosure and carbon pricing tools. In that sense, decarbonisation linkage is not merely EU-centric; it is an attempt to make the cost of Russian hydrocarbon reliance rise globally through norm diffusion. The EU's regulatory capacity makes it a plausible first mover in this space, provided it manages spillovers. The strategic objective is not an overnight stoppage, but a sustained deterioration of netbacks, financing terms, and reinvestment capability.

The most direct linkage mechanism is carbon-based conditionality at the border, which can function as an indirect sanctions amplifier by reducing the competitiveness of carbon-intensive imports associated with Russia-linked supply chains. A carbon border mechanism operates through a simple logic: if domestic producers face carbon costs, imports should face an equivalent adjustment to prevent leakage. In sanctions terms, this becomes relevant when a targeted exporter's competitiveness is highly dependent on low effective carbon costs, weak disclosure, and limited verification. Even where the mechanism is formally country-neutral, its incidence can be highly asymmetric because emissions intensity differs across producers and because verification capacity is uneven. The policy implication is

that carbon border tools can be tuned—through verification requirements, default values, and anti-circumvention rules—to reduce the viability of opaque high-carbon imports. This reduces the payoff to relabelling, blending, and transshipment strategies used to obscure origin or embodied emissions. The linkage works best when the EU couples border conditionality with strict MRV and robust penalties for misreporting, turning emissions opacity into a tradable liability. It also pressures third-country intermediaries because “washing” Russian origin becomes less profitable if carbon data cannot be credibly provided. The risk is politicisation: if the instrument is perceived as disguised sanctions, it could provoke disputes and complicate diplomacy, so careful legal framing is essential.

Methane policy provides an even sharper lever because methane intensity is both measurable and tightly connected to upstream oil and gas operations. Unlike broad “carbon footprint” debates that can become methodological battlegrounds, methane MRV has been rapidly standardised with increasing use of satellite detection and independent monitoring. A sanctions-linked methane regime could require importers and shippers to provide verifiable methane intensity data for gas and, by extension, for certain oil and LNG supply chains. Where verification is absent or unreliable, conservative default values can be applied, making opaque supply less competitive. This is economically meaningful because methane regulations can translate directly into compliance costs, restricted access, or contractual penalties. For Russia, whose upstream operations include ageing infrastructure and operational constraints, higher methane compliance costs can erode margins and raise reinvestment requirements at precisely the moment when technology access is constrained. The linkage also creates targeted pressure without a formal “ban”: firms can in principle comply, but compliance becomes costly and data-intensive. The critical design question is enforcement: credible MRV must be paired with meaningful consequences for non-compliance, otherwise it becomes paperwork. The most effective approach treats methane as both an environmental externality and a compliance signal for operational quality and transparency.

Shipping and insurance are natural transmission channels for decarbonisation-linked sanctions because maritime logistics is the physical substrate of hydrocarbon trade and because maritime services remain relatively concentrated. Climate instruments increasingly extend into shipping through fuel standards, emissions reporting, and lifecycle metrics, which can be aligned with sanctions objectives. In a linked regime, vessels carrying high-risk cargoes could be required to meet enhanced emissions reporting, maintain verified voyage records, and demonstrate compliance with fuel and emissions standards. Insurance and reinsurance can be conditioned on verified compliance, thereby converting the service stack into an enforcement perimeter. For shadow-fleet operations, this is particularly damaging because opacity is a feature, not a bug; requiring transparency and verification increases their costs and raises the probability of denial of service. The linkage can also be designed to reduce spillovers: rules can apply to specific cargo categories and risk profiles rather than to shipping as a whole. A key advantage is that maritime compliance generates auditable artefacts—logs, emissions reports, route histories—that can support enforcement actions and sanctions listings. The practical effect is to increase risk premia and reduce reliability for evasive segments, which translates into lower netbacks for the exporter. The downside is administrative complexity, which requires investment in monitoring capacity and coordination with port state control.

A decarbonisation-linked sanctions regime should also be designed to influence not only exports but the upstream technology and services ecosystem that sustains production capacity. Hydrocarbon extraction and refining are increasingly technology-dependent, particularly for efficiency, emissions control, and high-complexity reservoirs. Climate policy tends to privilege “best available technologies” and encourages adoption of emissions-reducing equipment, monitoring systems, and process optimisation. If sanctions restrict access to such technologies while climate conditionality raises the cost of operating without them, the combined effect can be multiplicative. Russia may attempt to substitute with domestic or third-country technologies, but substitution is rarely perfect in high-precision segments. The result is a gradual degradation of operational efficiency and emissions performance, which then translates into market access and financing penalties. This is the core strategic rationale for linkage: it binds the target into a negative feedback loop where technology denial and

compliance costs reinforce each other. Importantly, this is not about “punishing emissions” in an abstract sense; it is about exploiting the target’s structural dependence on hydrocarbon rents in a world moving toward tighter emissions governance. The linkage also reduces the risk that sanctions fatigue undermines policy, because climate policy has its domestic political constituency. Over time, the regime becomes self-reinforcing through institutionalisation.

Financial sector alignment is another high-leverage component because decarbonisation policies increasingly shape credit allocation, insurance pricing, and disclosure standards. Sustainable finance frameworks can be used to raise the capital cost of carbon-intensive activities and to constrain financing for projects that fail to meet emissions and governance criteria. When linked to sanctions, the EU can define heightened due diligence and disclosure for Russia-linked energy exposures, including beneficial ownership, origin traceability, and emissions intensity. Banks and insurers can be required to treat high-risk Russia-linked exposures as elevated compliance risk, which increases capital allocation costs and reduces appetite. This does not require the EU to ban all financing; it requires the EU to make “non-transparent, high-emissions, high-risk” exposures operationally unattractive. Over time, this can reduce the availability of long-tenor financing and increase reliance on state support, which has fiscal implications. The linkage also affects counterparties outside Russia: traders and intermediaries find their financing terms worsen if they cannot document compliance. As a result, “facilitation capacity” shrinks, not necessarily because of moral alignment, but because of balance-sheet economics. The primary challenge is calibration: excessive constraints can create unintended energy market volatility, so the regime must be phased and data-driven. Yet in a medium-term horizon, financing constraints are among the most durable forms of pressure.

A practical issue in linking sanctions to decarbonisation is measurement integrity—what exactly is being measured, by whom, and under what verification standard. Carbon footprints can be disputed; lifecycle boundaries can be manipulated; default values can be politicised. Therefore, a credible regime needs a hierarchy of evidence: verified measurements at the top, auditable documentation in the middle, and conservative defaults at the bottom when verification is missing. The policy logic is that opacity should never be rewarded with favourable assumptions, because that creates perverse incentives. In sanctions practice, this parallels the principle that entities with hidden beneficial ownership should face enhanced restrictions. Applied to emissions, hidden intensity should face conservative penalties. This creates an incentive to disclose, which improves enforcement and market transparency. It also allows the EU to defend the regime as rule-based: the same evidentiary hierarchy applies to all, even if the incidence is asymmetric. Over time, improved measurement standards can reduce litigation risk and improve compliance efficiency. The regime should also incorporate appeal and correction mechanisms to maintain legitimacy and reduce claims of arbitrariness. In other words, measurement governance becomes enforcement governance.

Another design layer is the interaction between decarbonisation-linked sanctions and EU internal energy security. Policy credibility depends on avoiding acute supply shocks that could undermine domestic support. Therefore, the linkage should be engineered to intensify pressure primarily through cost and compliance channels, rather than through abrupt volume elimination, unless substitutes are secured. This suggests a phased trajectory: tighten MRV and disclosure first; introduce conditionality and penalties next; escalate to service restrictions and broader disincentives later. Such sequencing allows markets to adjust and reduces the risk of price spikes. It also gives third-country intermediaries time to adapt compliance systems, which reduces diplomatic blowback. The EU can also use targeted exemptions where necessary for safety, humanitarian needs, or transitional stability, while maintaining the overall tightening trajectory. A linked regime is credible precisely because it is cumulative and predictable, not because it is maximally disruptive at any given moment. This is analogous to how carbon pricing regimes gain effectiveness over time: predictability drives investment and contract changes. In sanctions terms, predictability drives de-risking and divestment. The result is a slow but persistent tightening of the economic environment for the target exporter.

A decarbonisation linkage can also be extended beyond hydrocarbons to hydrocarbon-adjacent commodities and industrial exports where energy costs and emissions intensity are decisive. Metals, fertilisers, petrochemicals, and certain energy-intensive manufactured goods can embed significant emissions footprints that are sensitive to fuel mix and process technology. If the EU applies stricter emissions-intensity requirements and verification across these categories, it can reduce the competitiveness of Russian energy-intensive exports even when they are routed through third countries. This has a “second-order” sanctions effect: it pressures export revenue diversification strategies that rely on energy-intensive industrial goods. It also creates incentives for clean production and disclosure, which Russia may struggle to implement under technology restrictions and financing constraints. Again, the mechanism need not be explicitly Russia-specific; it can be a general tightening that disproportionately affects opaque high-emissions supply. The key is to close loopholes: blending, minimal transformation, and re-export should not allow a high-emissions product to enter on favourable terms. This requires customs-emissions coordination and strong origin-intensity traceability. While complex, it leverages the EU’s comparative advantage: regulatory capacity and market size. Over time, the effect can be to narrow Russia’s viable export portfolio.

A linked sanctions-decarbonisation strategy also has a behavioural objective: shifting corporate incentives so that firms disengage from high-risk Russia-linked transactions not out of political alignment but because the compliance burden becomes commercially irrational. If emissions disclosure and verification are required alongside sanctions compliance, the cost of doing business with opaque suppliers rises sharply. This is especially true in commodity trading, where margins are often thin and speed matters. When the compliance burden increases, only the most risk-tolerant intermediaries remain, and they charge a premium. That premium is economically equivalent to a tax on the exporter. Moreover, a higher compliance burden increases the probability of error, which further raises risk premiums. The result is a structural increase in transaction costs for Russia-linked flows. This can be amplified by public enforcement actions, which raise reputational risk for facilitators. In that sense, climate-linked compliance becomes a deterrence tool. It does not require universal enforcement to be effective; it requires enough enforcement to make risk salient. Over time, risk salience reshapes market behaviour.

Table 3.4.3-1. Sanctions–decarbonisation linkage: instruments, enforcement channels, and expected pressure mechanisms

Linkage instrument	Primary enforcement channel	Immediate effect	Medium-term effect	Main constraint
Carbon border conditionality	Customs + MRV	Raises cost of high-emissions imports	Reprices supply chains; discourages “washing”	Methodology disputes; trade diplomacy
Methane intensity requirements	MRV + default values	Penalises opacity; increases compliance cost	Forces capex or reduces competitiveness	Verification capacity; data quality
Maritime emissions conditionality	Shipping services + port state control	Increases risk premia for evasive fleets	Degrades reliability; lowers netbacks	Administrative complexity
Sustainable finance alignment	Banks/insurers + disclosure	Tightens financing terms for high-risk exposures	Reduces long-tenor capital; increases state burden	Spillover to EU firms; over-compliance
Technology + standards squeeze	Export controls + compliance standards	Limits emissions-control and efficiency upgrades	Gradual efficiency loss; higher emissions penalties	Substitution via third countries

Authorship: analytical framework (this report) was prepared by the author

A linked regime should also consider the role of “green” narratives and industrial policy, because decarbonisation is not solely a constraint—it is also an investment redirection strategy. If the EU reduces Russia-linked hydrocarbon dependence, it simultaneously increases the attractiveness of alternative suppliers and accelerates domestic energy transition investment. This has sanctions relevance because

it reduces the EU's vulnerability to retaliation and price shocks. Over time, improved energy resilience expands the EU's ability to sustain pressure. In addition, investment redirection can be paired with infrastructure decisions that structurally reduce Russian export options, such as alternative pipelines, LNG terminals, grid integration, and renewables deployment. While these are not sanctions in the narrow legal sense, they function as strategic complements that reduce the target's leverage. A credible linkage strategy therefore coordinates sanctions with transition policy: the more the EU decarbonises, the more credible its sanctions become. This is a key difference from classical sanctions episodes where the sender's vulnerability often limits escalation. In the current context, transition policy can reduce vulnerability over time. That said, the EU must manage distributional impacts within its economy, particularly for energy-intensive industries, to sustain political support. Hence, compensation mechanisms, industrial support, and transition funding remain strategically relevant to sanctions endurance. The linkage is therefore as much about EU capacity as it is about Russia pressure.

There is also an important coordination dimension: decarbonisation linkage becomes far more powerful if multiple major markets adopt compatible standards. The EU can act as a norm entrepreneur by setting MRV and disclosure expectations that others gradually emulate. Even partial emulation can reduce Russia's ability to arbitrage between markets. For example, if multiple jurisdictions require methane intensity disclosure, the cost of maintaining opaque operations rises globally. Similarly, if shipping emissions standards tighten across regions, shadow-fleet tactics become more costly and less scalable. The challenge is that climate policy harmonisation is slow, and geopolitical priorities differ. Therefore, the EU should design the regime to be effective even without perfect coordination, while simultaneously pushing for convergence through diplomacy and technical cooperation. In practice, this means building robust domestic MRV and enforcement first, then exporting standards through trade agreements, technical dialogues, and financial regulation. The regime's extraterritorial effect is thus partly intentional and partly emergent. Over time, the compliance cost becomes embedded in global market practice, which is difficult to reverse. This is precisely why linkage is attractive for sustained pressure: it reduces dependence on constant political escalation. It converts pressure into a structural property of market governance.

A further operational issue is how to treat blended or transformed products that mix origins or undergo processing in third countries. Hydrocarbon flows and related commodities can be blended, re-labelled, or minimally transformed to obscure origin and to exploit regulatory gaps. A linked regime must therefore integrate origin rules with emissions traceability. If origin is uncertain, emissions intensity should not be assumed favourable; conservative defaults should apply. If emissions documentation is missing, market access should be delayed or denied, or a penalty should apply. This increases the cost of laundering strategies and reduces incentives for third-country intermediaries. The enforcement challenge is data: customs, maritime intelligence, and corporate registries must be integrated. However, the EU already has experience in risk-based customs enforcement and can extend this to emissions-linked checks. The regime can also use certification: trusted compliance operators can receive faster clearance, while high-risk flows face scrutiny. This creates a self-selection dynamic: firms invest in transparency if it improves their commercial outcomes. Over time, this reduces systemic opacity and improves enforceability. For sanctions, reducing opacity is a direct gain because circumvention thrives on opacity. Therefore, traceability is not merely a climate objective; it is a sanctions objective.

The linkage strategy must also account for Russia's likely counter-adaptation. Russia and facilitators may attempt to build alternative certification systems, rely on sympathetic jurisdictions, or produce "paper compliance" with weak verification. They may also deepen reliance on shadow fleets and non-EU service stacks, accepting higher risk premia. The EU's response should be to prioritise verification over claims: certificates without credible audit should not unlock favourable treatment. The regime should also target known weak points: beneficial ownership opacity, repeated AIS anomalies, irregular port call patterns, and unusual trade re-export surges in specific corridors. Data-driven enforcement helps prevent the regime from becoming a paperwork contest. The EU can also leverage third-party

verification markets: reputable auditors, satellite detection, and independent monitoring can support credibility. Over time, this can create a tiered market where reputable verification becomes a valuable asset and low-quality certification is discounted. For Russia-linked flows, the expectation is that credibility discounts translate into financial discounts. That is precisely the pressure mechanism the EU seeks. The more the regime rewards credible verification, the harder it becomes for opaque exporters to compete.

Finally, the linkage should be evaluated through the lens of long-run structural impact on Russian fiscal capacity and industrial resilience. Hydrocarbon rents have historically funded not only public spending but also quasi-fiscal stabilisation of strategic enterprises. If decarbonisation-linked sanctions compress netbacks and raise costs, the state's ability to stabilise becomes more constrained. At the same time, technology and financing constraints reduce Russia's capacity to adapt by upgrading infrastructure and lowering emissions intensity. The combined effect is a slow tightening of constraints that is difficult to offset through short-term policy measures. This is why decarbonisation linkage is strategically different from classical sanctions: it targets the target's long-run economic model rather than discrete transactions alone. For the EU, the payoff is also strategic: it reduces vulnerability and increases the sustainability of pressure. The principal risk is governance complexity: if instruments are too complex or poorly coordinated, enforcement weakens and political support erodes. Therefore, simplicity, measurability, and phased escalation are crucial design principles. A linked regime should be treated as a system: MRV, customs, services, finance, and technology controls must reinforce each other. If designed and implemented as such, it can become one of the EU's most credible "pressure multipliers" for 2026–2030.

In conclusion, linking sanctions to energy decarbonisation offers a structurally durable pathway to strengthen economic pressure by embedding enforcement within climate governance tools that are already expanding in scope, precision, and institutional legitimacy. The most effective architecture combines carbon border conditionality, methane intensity requirements, maritime emissions and service-stack conditionality, and sustainable-finance alignment, while simultaneously constraining the target's ability to reduce emissions intensity through technology and services denial. The strategic effect is cumulative: higher compliance costs, greater opacity penalties, increased risk premia in shipping and finance, and a declining investment horizon for Russia's hydrocarbon sector and hydrocarbon-adjacent industries. The linkage is particularly valuable because it operates through predictable trajectories rather than one-off prohibitions, thereby sustaining pressure even under political fatigue. However, success depends on rigorous measurement governance, conservative defaults for non-verification, integrated traceability across customs and maritime data, and a phased approach that avoids destabilising EU energy security. If these conditions are met, decarbonisation linkage can convert sanctions into a long-run market re-engineering mechanism that compresses Russian export rents, degrades reinvestment capacity, and narrows the target's strategic options. If they are not met, the approach risks becoming an administratively heavy compliance layer that facilitators can game through paper transparency and jurisdictional arbitrage. The decisive factor is therefore enforcement realism: build the MRV and traceability spine first, then use it to apply targeted conditionality where EU leverage is strongest.

3.5. Conclusion

Part Three shifts the report's centre of gravity from the political logic of sanctions to the operational economics of pressure: how restrictions translate into measurable frictions in trade, finance, technology, logistics, and industrial reproduction. The section treats economic sanctions not as a monolithic "shock" but as a portfolio of instruments with differentiated transmission channels and lag

structures, which is why it repeatedly emphasises the importance of mechanism-level evaluation. A central analytical conclusion is that the Russia case demonstrates a mature sanctions environment where adaptation is continuous and where the key contest is no longer the existence of restrictions, but the contest between enforcement and circumvention capacity. The report therefore positions the 2026–2030 horizon as a phase of diminishing returns for simple additive prohibitions and rising returns for targeted enforcement, anti-circumvention design, and service-stack restrictions. It also integrates a policy-evaluation lens: sanctions effectiveness is interpreted through *prospectiveness and constraints*—whether a tool can plausibly be sustained, strengthened, and enforced under real political and market conditions. In doing so, Part Three implicitly argues that sanctions are now as much about governance capacity (monitoring, compliance, coalition coordination) as about legal text. The section sets up the reader to see sanctions as a long-run industrial contest: degrading capital renewal, narrowing technology options, and forcing a shift toward substitution and repair. This framing is critical for interpreting why macro stability can coexist with micro-level degradation and rising hidden costs.

A key theme in Part Three is the centrality of trade-industrial and technology restrictions as a “capability denial” regime rather than merely a trade-disruption regime. The report’s logic is that in a prolonged confrontation, the most decisive economic impacts emerge not from immediate GDP contractions but from constrained access to advanced inputs—machine tools, electronics, specialised components, software, and services—combined with rising costs of substitution and longer supply chains. This drives a gradual deterioration in productivity and quality, increased reliance on parallel imports, and a growing share of economic activity devoted to maintenance, re-engineering, and compliance work rather than expansion. The analysis also recognises that Russia’s adaptation is not uniform across sectors: some segments can substitute through assembly and rerouting, while others remain structurally dependent on high-precision imports. The section therefore pays attention to sectoral differentiation and to the role of intermediaries and third-country hubs in sustaining import channels. A parallel insight is that trade controls become more effective when paired with enforcement tools that disrupt diversion networks rather than simply expanding lists of controlled items. In this sense, Part Three treats enforcement architecture as an economic variable: better enforcement increases frictions, extends lead times, and raises the risk premium charged by intermediaries. The practical policy implication is that the “next increment” of pressure is most likely to come from closing high-leverage nodes in procurement and services, not from broad headline bans that are already priced in and partially circumvented.

Transport and logistics restrictions are presented as a second major pressure channel because logistics is the physical substrate of revenue generation and industrial supply chains, especially for energy exports and dual-use procurement. The report treats the emergence and role of the shadow fleet as an archetypal adaptation mechanism: it enables continuity of flows but at higher cost, higher operational risk, and greater dependence on opaque service providers. This is important analytically because it shows how sanctions can simultaneously “fail” in a simplistic volume sense while “succeed” in a profitability and risk sense by compressing netbacks and raising transaction costs. The section also highlights that logistics restrictions are most powerful when they target the services stack—insurance, brokering, certification, port access—because these services are less easily substituted than physical assets and because they generate auditable compliance artefacts. A further conclusion is that logistics restrictions interact with trade and technology controls: longer routes, more transshipment, and more intermediaries increase the probability of disruption and the cost of concealment. The report’s 2026–2030 outlook stresses that the contest will increasingly be about monitoring, enforcement coordination, and the ability to identify and list enabling assets and firms quickly. This implies that sanctions effectiveness will depend on sustained intelligence and compliance capacity, not only on the formal scope of restrictions. The section therefore positions logistics as a “pressure amplifier” that can extend the reach of other measures by making circumvention logistically expensive and operationally brittle.

Part Three’s statistical component is used not as a standalone dataset but as an evidentiary bridge between macro-level narratives and micro-level operational signals. The analysis of corporate net losses and loss concentration indicates that sanctions-linked frictions and structural shifts are reflected in

firm-level financial stress, often concentrated in strategically important entities and sectors. The report uses concentration patterns to argue that pressure is not evenly distributed: it tends to accumulate in large, exposed entities, with second-order spillovers to supply chains and regional fiscal stability. The industrial output dynamics further reinforce this point: growth in repair, substitution, and certain procurement-linked sectors can coexist with contraction in upstream resource extraction and energy-linked chains, suggesting adaptive reallocation rather than broad-based modernisation. This interpretation aligns with the report's broader mechanism-first approach: the economy may maintain aggregate activity levels while shifting composition toward lower-productivity or maintenance-heavy activity. The statistical discussion also supports the report's argument about time lags: some impacts manifest not as immediate collapse but as increased maintenance burdens, constrained investment, and financial stress pockets. In policy terms, this strengthens the case that sanctions pressure should be assessed by structural indicators—technology access, logistics frictions, netbacks, concentration of losses—rather than by headline growth alone. The statistics thus function as corroborative evidence for the claim that sanctions are reshaping the operating environment even where macro aggregates appear resilient. This evidentiary stance is especially relevant for 2026–2030, when incremental effects are expected to be more structural than spectacular.

Finally, Part Three's forward-looking proposals argue that the next stage of economic pressure requires escalation in *design sophistication*: secondary sanctions logic, extraterritorial measures, and the linkage of sanctions with energy decarbonisation governance. The report treats this not as rhetorical escalation but as a pragmatic response to the maturity of circumvention ecosystems; the more adaptive the target, the more pressure must operate through leverage points that are difficult to substitute. Secondary sanctions are framed as a way to increase the cost of facilitation for third-country intermediaries, particularly in finance, shipping services, and diversion networks, while still requiring careful calibration to avoid excessive diplomatic and legal blowback. Extraterritorial measures are presented as a spectrum of nexus-based tools—market access conditionality, service-stack conditionality, finance perimeter controls, and group-level compliance duties—that create practical extraterritorial effects without relying on an openly expansive jurisdictional doctrine. The energy–decarbonisation linkage is positioned as a structural multiplier: embedding pressure within MRV systems, carbon border conditionality, methane requirements, and sustainable finance so that constraints become durable and trajectory-based rather than episodic. The combined implication is that 2026–2030 pressure will be most effective when it is embedded in governance systems with measurement, verification, and compliance infrastructures, thereby reducing reliance on constant political escalation. Part Three therefore concludes—implicitly through its architecture—that the future effectiveness of EU sanctions will be determined less by the marginal addition of bans and more by the capacity to enforce, verify, and condition access to services and markets. In this framework, the policy objective becomes sustained friction and capability degradation, achieved through targeted leverage points and reinforced by climate and compliance governance.

PART FOUR

Social Sanctions and Their Effectiveness

4.1. General profile of social sanctions

4.1.1. Definition and Scope of “Social Sanctions” (EU–Russia Context)

In this report, *social sanctions* are defined as restrictive measures and associated compliance effects that materially constrain the everyday social life of individuals—their cross-border mobility, access to consumer goods and services, and the routine functioning of personal finance—either directly (through explicitly people-facing restrictions) or indirectly (through sectoral measures that “transmit” into household-level frictions). This definition is intentionally operational: it is designed to support later sections that evaluate effectiveness, proportionality, and ethical robustness rather than to serve as a purely philosophical categorisation.

The European Union itself frames its Russia-related restrictive measures as a mixture of targeted measures (e.g., travel bans and asset freezes against listed individuals and entities) and sectoral measures (trade, financial, transport and other restrictions). While targeted measures are not “social” by intent, they are intrinsically person-facing and therefore sit within the social-sanctions perimeter whenever they curtail mobility, access to funds, or participation in EU-based transactions.

The scope used here deliberately separates (i) legal instruments and (ii) social outcomes. A regulation may be economic in form (trade/finance), yet social in effect if it constrains household consumption patterns, family transfers, or access to routine services. Conversely, a restriction that is socially salient (e.g., reduced tourism flows) may be driven more by market exits and risk pricing than by a formal prohibition. This distinction matters because “social pain” is not, by itself, evidence of strategic effectiveness; it may simply be evidence of friction.

Within the EU sanctions architecture, the clearest *direct* social instrument is the tightening of short-stay mobility through the suspension of the EU–Russia visa facilitation arrangement and the subsequent guidance on visa issuance and border controls. From a scope standpoint, this cluster belongs to social sanctions because it targets a routine channel of social interaction—travel—without requiring the individual to be a designated person.

A second direct component is the set of individual restrictive measures (travel bans and asset freezes) imposed on named persons for actions undermining Ukraine’s territorial integrity and related legal regimes. Although these measures are often analysed in “political” terms, they function socially by restricting physical entry and by constraining the ability of persons to access resources and services within EU jurisdiction. In practice, these restrictions often generate spillovers through “association risk” (e.g., family members, business partners, and service providers altering behaviour).

Indirect social sanctions emerge prominently in the consumption domain. The EU’s import/export bans include an export ban on luxury goods, explicitly framed as a measure intended to “directly hit” Russian elites; yet, it also reshapes aspirational consumption and high-end service markets more broadly, producing symbolic and behavioural effects beyond the narrow target group. The social perimeter therefore includes consumption restrictions where the EU’s stated objective (or its predictable effect) is to constrain the lifestyle component of elite support structures.

A further indirect social channel is everyday financial life, where sectoral financial restrictions, compliance screening, and de-risking behaviour by banks and payment providers can transform macro-

level measures into micro-level constraints. Notably, the Commission’s consolidated sanctions FAQs repeatedly address implementation questions that arise precisely because ordinary transactions—payments, services, “who can do what with whom”—become ambiguous in practice and thus prone to over-compliance. This report treats such friction as within scope when it predictably affects households and individuals, even when the legal trigger is sectoral.

The scope also includes *market-mediated* effects that are not always commanded by law but are structurally linked to sanctions risk: corporate withdrawals, service discontinuation, and heightened compliance thresholds. These effects matter analytically because they can dominate lived experience (availability of services, logistics of travel, access to platforms) even if the formal measure is narrow. The EU’s explanatory materials emphasise that sanctions work as a system of constraints on financing, trade, and enabling services; private actors operationalise that system through risk controls that may exceed the minimum legal requirement.

To avoid category inflation, the report sets explicit boundaries for what is *not* classified as “social sanctions” in the strict sense. Restrictions aimed at degrading military-industrial capability (dual-use, advanced technology, industrial inputs) are treated as economic/strategic measures unless the report can demonstrate a clear household-level transmission mechanism relevant to the social sections. Similarly, transport bans are included in Part 3 (logistics restrictions) and appear in Part 4 only where they affect civilian mobility as an endpoint rather than trade routing as a means.

A key scope principle is measurability: social sanctions are treated as analytically meaningful only insofar as their effects can be tracked through credible proxies (visa issuance and refusal rates; connectivity and routing; acceptance of payment instruments; consumer price proxies; diaspora transfer frictions). The European Commission publishes structured Schengen visa statistics and periodic updates on visa policy trends, which provides an empirical anchor for the mobility sub-domain and helps discipline claims about “isolation” or “normalisation.”

Finally, the definition is intentionally compatible with the EU’s legal-ethical constraints—notably proportionality and targeted design—because Sections 4.3–4.5 evaluate not only effectiveness but also the limits of acceptable social harm. That is why scope includes both *intended* social pressure (where stated aims target elites’ lifestyles) and *unintended* social costs (over-compliance, discrimination, and collateral barriers), with clear separation between the measure and its downstream consequences.

This framing allows Part 4 to proceed in a disciplined sequence: (1) definition and perimeter (this subsection), (2) catalogue of instruments (4.2), (3) cost/acceptability analysis (4.3), (4) forward-looking policy evolution (4.4), and (5) ethically robust proposals (4.5). In short, “social sanctions” are treated here not as a rhetorical label, but as a measurable policy layer that interacts with law, compliance practice, and social resilience dynamics.

Table 4.1.1-1. Operational delimitation of “social sanctions” in this report (EU–Russia context)

Social domain (household-level endpoint)	Typical restriction type	Direct / indirect social effect	Illustrative EU legal/policy anchor	Notes
Visa mobility (short-stay travel)	Suspension of facilitation; stricter issuance guidance	Direct	European Commission “Visa measures” page; Council press release on full suspension	Establishes a people-facing mobility constraint applicable beyond designated persons
Targeted individuals (listed persons)	Travel bans; asset freezes	Direct (for designated persons) + spillovers	Council Regulation (EU) No 269/2014 (consolidated)	Social effects include mobility restriction and transactional exclusion in EU jurisdiction

Social domain (household-level endpoint)	Typical restriction type	Direct / indirect social effect	Illustrative EU legal/policy anchor	Notes
Consumer lifestyle constraints (luxury)	Export bans on luxury goods	Indirect (elite-lifestyle channel)	European Commission “Import and export bans”; Commission luxury-goods FAQs	Social effect is mediated via consumption markets and status signalling
Everyday financial life	Financial restrictions + compliance screening; de-risking	Indirect (friction externalities)	Commission consolidated FAQs on implementation of Regulations 833/2014 & 269/2014	Household impacts often arise through over-compliance and ambiguity management
Information/communication layer (where relevant)	Limits on certain Russian state outlets (distribution/transmission)	Indirect (informational environment)	EU Sanctions Map regime summary (Russia)	Included only where it bears on social interaction and public sphere dynamics

Authorship: analytical framework (this report) was prepared on the basis of open sources

Sources:

- https://commission.europa.eu/topics/eu-solidarity-ukraine/eu-sanctions-against-russia-following-invasion-ukraine/visa-measures_en
- <https://www.consilium.europa.eu/en/press/press-releases/2022/09/09/council-adopts-full-suspension-of-visa-facilitation-with-russia/>
- <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32014R0269>
- https://commission.europa.eu/topics/eu-solidarity-ukraine/eu-sanctions-against-russia-following-invasion-ukraine/import-and-export-bans_en
- https://finance.ec.europa.eu/system/files/2023-07/faqs-sanctions-russia-luxury-goods_en.pdf
- https://finance.ec.europa.eu/system/files/2024-01/faqs-sanctions-russia-consolidated_en.pdf
- <https://www.sanctionsmap.eu/api/v1/pdf/regime?id%5B%5D=26&lang=en>

Table 4.1.1-2. Indicative proxy-indicators for the “social sanctions” perimeter (for later evaluation)

Sub-domain	Proxy-indicator (examples)	Primary data anchor (EU/official)	Why it matters for scope
Visa mobility	Applications, visas issued, refusal rate by nationality and by consulate	European Commission / DG HOME Schengen visa statistics portal + datasets	Converts “mobility restriction” from narrative to trackable series
Visa-policy dynamics	Annual summaries and trend notes	DG HOME news releases on annual visa statistics	Anchors claims about contraction/normalisation
Implementation frictions	Volume and content of formal guidance; recurring Q&A topics	Commission consolidated FAQs on sanctions implementation	Captures where household impacts arise from compliance ambiguity

Authorship: analytical framework (this report) was prepared on the basis of open sources

Sources:

- https://home-affairs.ec.europa.eu/policies/schengen/visa-policy/short-stay-visas-issued-schengen-countries_en
- https://home-affairs.ec.europa.eu/document/download/87716634-be5e-4920-9358-495a95429759_en?filename=2023-schengen-visa-statistics-consulates_en.xlsx.xlsx
- https://home-affairs.ec.europa.eu/news/visa-applications-reach-117-million-eu-and-schengen-associated-countries-2025-05-20_en
- https://finance.ec.europa.eu/system/files/2024-01/faqs-sanctions-russia-consolidated_en.pdf

4.1.2. Causal Architecture: Direct Restrictions vs Indirect Social Effects

The causal architecture of social sanctions in the EU–Russia context is best understood as a two-layer system: a formal layer of legal prohibitions and obligations, and an operational layer of implementation, compliance behaviour, and market responses. The formal layer is composed of EU legal acts and associated guidance that define who is restricted, what is prohibited, and which transactions require authorisation or fall under exemptions. The operational layer translates those norms into real-life outcomes through border practices, banking controls, platform rules, insurer and carrier risk policies, and corporate governance. Social effects arise when these operational decisions constrain individuals’ mobility, consumption, and everyday financial life. The distinction is essential because many salient social impacts are generated not by a single “ban”, but by cascading risk management across multiple private and public actors. This two-layer model also clarifies why social effects can intensify even when the text of the law remains unchanged: the operational layer can tighten through heightened scrutiny, de-risking, and conservative interpretation. The EU itself implicitly recognises this complexity by publishing consolidated implementation FAQs, which are designed precisely to harmonise interpretation and reduce uncertainty in practice.

In this report, direct social restrictions are those that explicitly and immediately apply to individuals as end-users of cross-border mobility or EU jurisdictional services, without requiring a mediating market chain. In the EU sanctions toolkit, the most recognisable direct social restrictions include travel-related measures (travel bans for listed persons, and policy changes affecting short-stay visa processing for Russian applicants) and legal constraints that determine whether a person can enter, transit, or be served within the EU. Such restrictions typically operate via clear administrative “gates”: visa issuance decisions, external border checks, carrier boarding rules linked to entry rights, and sanctions screening against designation lists. Their causal chain is relatively short: a rule is applied by a public authority or carrier, and the result is immediate denial, delay, or additional procedural burden. Direct restrictions are therefore comparatively easy to define and to observe, even if their overall strategic effect is contested. The EU’s materials on visa measures and the Council’s decision to fully suspend the visa facilitation agreement illustrate how legal adjustments can directly increase procedural costs, documentation burdens, and scrutiny for an entire applicant category.

Indirect social effects originate when the legal instrument is not primarily “social” in form, yet transmits into household outcomes through intermediated channels. In practice, the most powerful transmission channels are financial compliance and de-risking, market exit decisions, service discontinuation, and logistics constraints that reduce availability or raise the cost of everyday transactions. These effects are often second-order and path-dependent: an individual’s lived experience changes because a bank alters its risk appetite, a payment provider discontinues services, a platform blocks access, or a retailer reconfigures supply chains. Indirect effects can be more pervasive than direct restrictions because they can apply broadly to non-designated individuals and can operate through multiple overlapping mechanisms. They are also harder to attribute: the observed outcome may reflect sanctions, counter-sanctions, macroeconomic conditions, wartime risk, or private strategic choices. For analytical discipline, the report treats an effect as “sanctions-linked” when it is structurally driven by compliance obligations or sanctions risk, even if the precise actor-level decision is discretionary. The Commission’s implementation FAQs are particularly relevant here because they document recurring “grey-zone” questions that arise when sectoral measures meet ordinary consumer and payment realities.

A practical way to structure causality is to map social effects across three endpoint domains: (i) mobility, (ii) consumption and services, and (iii) everyday finance. Mobility is shaped by visa policy, border controls, and transport connectivity; consumption is shaped by availability, import/export bans, and private withdrawals; everyday finance is shaped by payment rails, banking services, and compliance frictions. Each endpoint domain receives shocks from both direct and indirect measures, but with different intensities and time profiles. Mobility is typically “stepwise”: a policy change produces a visible discontinuity in access. Consumption is “reconfigurative”: bans and exits shift product mixes, brand presence, and the symbolic economy of lifestyle. Everyday finance is “frictional”: even when

transactions remain legal, screening and uncertainty create delays, refusals, and higher costs. This tripartite endpoint structure helps prevent category drift and keeps later effectiveness claims anchored to observable consequences. It also provides a framework for selecting indicators and designing tables and figures in Sections 4.2 and 4.3.

In the mobility domain, causality combines policy-level restriction with security-driven administrative discretion and member-state heterogeneity. The suspension of visa facilitation changes the baseline procedural regime, but the lived outcome depends on how consulates process applications and how border authorities apply scrutiny. The Commission's 2022 communication on updating visa issuance guidelines is an explicit acknowledgement that consistent application requires interpretative coordination, especially under heightened security concerns. This matters because mobility outcomes can be shaped as much by risk signals and administrative practices as by the "headline" legal act. It also implies that mobility restrictions can tighten over time through operational measures: longer processing times, increased evidence requirements, narrower interpretation of travel purpose, and more frequent issuance of single-entry rather than multiple-entry visas. For the report's causal model, the key point is that policy changes alter default rules, while operational practices determine the effective access rate. The empirical anchor for this domain is official Schengen visa statistics and related Commission reporting, which provides refusal-rate and volume series that can be used as proxies for effective restrictiveness.

Visa statistics also demonstrate why indirect effects must be considered even within a direct policy domain. A fall in visas issued can reflect formal policy tightening, but it can also reflect reduced demand due to reputational risk, transport constraints, higher costs, or fear of denial. Conversely, stabilisation in refusal rates does not necessarily mean normalisation; it may reflect self-selection among applicants, changes in destination choice, or the relocation of application flows through third countries. The Commission's reporting on refusal-rate variations by nationality shows that refusal rates can shift year-on-year, which means a single year's data is insufficient to infer a stable long-run effect. For causal inference, this pushes the analysis toward multi-year trends, cross-country comparisons, and interpretation of changes in application composition. The report therefore treats visa statistics as necessary but not sufficient, and integrates them later with qualitative evidence about operational tightening and policy debate. This approach avoids overclaiming while still using official datasets as a constraint on speculation.

In the consumption and services domain, causality is often mediated by symbolic targeting and market substitution rather than absolute scarcity. Export bans on luxury goods are commonly framed as targeting elites' lifestyles and social status, but they can also create broader narrative and behavioural effects that extend beyond the intended group. The causal chain typically runs: legal restriction → reduced legal availability in EU channels → substitution via alternative suppliers or parallel import routes → price changes and reorientation of aspirational consumption. The "effectiveness" of such measures is therefore not primarily measured by total deprivation, but by cost escalation, quality substitution, brand displacement, and loss of prestige externalities. At the same time, the social salience of consumption restrictions can exceed their economic magnitude because they operate in a domain that is highly visible and easily politicised. For analytic consistency, the report treats consumption effects as social when they are (a) explicitly aimed at lifestyle/elite signalling or (b) plausibly and measurably transmitted to household consumption patterns and everyday services access. EU explanatory materials on import/export bans provide the formal anchor for this mechanism, while later sections assess scale and limits using market proxies.

Indirect consumption effects are amplified by private market exits that are not always legally compelled but are structurally induced by sanctions risk and reputational considerations. A firm may exit a market to avoid compliance complexity, reputational exposure, or supply-chain uncertainty, even when continuing operations could be technically lawful. This creates a social experience of exclusion that is not reducible to a single legal prohibition, and it can affect non-luxury services such as travel platforms, digital subscriptions, and consumer support services. The causal link to sanctions lies in the risk

environment: sanctions reshape the cost–benefit calculus of corporate presence, and compliance uncertainty raises the expected cost of errors. The result is a form of “shadow restrictiveness” where the operational layer becomes tighter than the legal baseline. For the report, this phenomenon is analytically important because it changes the distribution of burdens: it can affect ordinary users while the formal intent was to constrain elites or strategic sectors. This is also where proportionality concerns begin to appear in the causal model, because overextension of market exits can approach de facto collective effects. The EU’s emphasis on targeted and proportionate sanctions is therefore tested most strongly in this operational channel.

Everyday finance is the domain where indirect social effects are most systematically generated, because compliance obligations are embedded in routine payment and banking processes. Financial restrictions under the EU regime include prohibitions, service bans, asset freezes for listed persons, and constraints on certain transactions, all of which require banks and payment providers to build screening and control systems. Even when a household transaction is not prohibited, it may be delayed or refused due to name-matching risk, documentation gaps, or conservative interpretation by compliance teams. The Commission’s consolidated FAQs exist precisely because banks, companies, and citizens face repeated uncertainties about what is permitted under the evolving legal framework, indicating the structural propensity toward frictions. This creates a causal pattern of “permission under uncertainty”: the legal system permits some transactions, but the operational system treats them as risky, thereby reducing effective access. In such settings, over-compliance is not an anomaly; it is a predictable equilibrium when penalties and reputational damage are high and legal clarity is incomplete. The social effect is a rise in transaction costs, time costs, and uncertainty costs borne by individuals and small businesses.

A key mechanism in everyday finance is de-risking, where institutions narrow their exposure to perceived high-risk counterparties, jurisdictions, or customer segments. De-risking can be rational from the provider’s perspective, but it redistributes costs to consumers through account closures, refusal to process transfers, or reduced service availability. Because de-risking is partly discretionary, it also introduces heterogeneity: individuals with similar legal status may face different outcomes depending on their bank, their country of residence, and the provider’s risk appetite. This heterogeneity complicates effectiveness analysis because it can create pockets of severe constraint alongside zones of relative normality. From a policy design perspective, de-risking is the channel where “ethical robustness” can be operationalised: clear safe harbours, robust derogations, and standardised guidance can reduce excessive caution without weakening enforcement against genuinely prohibited transactions. The EU’s practice of issuing interpretative guidance, including consolidated FAQs, is therefore not merely informational; it is an instrument that shapes the operational layer and thus social outcomes. In later sections, this mechanism will be linked to measurable proxies such as rejection rates in transfers, consumer reports of payment failures, and shifts toward alternative rails.

Another major transmission channel is the enabling-services layer, where sanctions prohibit or restrict services that are not themselves consumer goods but are necessary for transactions to occur at scale. Insurance, reinsurance, brokerage, auditing, legal services, and IT support can function as “choke points” in complex systems, and restrictions here can cascade into reduced service availability for end-users. While Part 3 analyses enabling services largely through trade, transport, and finance, Part 4 treats the household endpoint: when enabling services constraints tighten, individuals experience it as reduced access to platforms, fewer legitimate cross-border options, and increased reliance on informal intermediaries. The causal chain is indirect but structurally strong because enabling services are bottlenecks: without them, many legal transactions become operationally difficult. EU legal acts such as Council Regulation (EU) No 833/2014 provide the central framework for such sectoral restrictions, while Commission guidance clarifies implementation boundaries. The social effect is often not a total prohibition but a shrinking of compliant pathways, which increases the relative share of grey-market and third-country routes. This dynamic has implications for both effectiveness and ethical assessment, as it can unintentionally incentivise informalisation.

The architecture also includes member-state heterogeneity as a causal factor, because implementation is partly decentralised through national competent authorities. Even with common EU regulations, licensing practices, administrative capacity, and enforcement intensity can differ. This heterogeneity matters socially because individuals interact with specific consulates, border checkpoints, banks, and service providers operating under national supervisory cultures. In practice, heterogeneity can create “route shopping”, where applicants and consumers seek the least restrictive pathway, thereby shifting flows rather than eliminating them. It also creates perceived arbitrariness, which can have social and political resonance beyond the underlying legal intent. The Commission’s effort to provide harmonised guidance aims to reduce such variance, but the persistence of recurring questions suggests that variance remains a feature of the operational layer. For causal analysis, heterogeneity implies that single-country anecdotes are not reliable evidence of EU-wide effects; instead, comparative patterns and multi-source triangulation are required. This principle will govern how Section 4.2 is written: measures will be catalogued at EU level, while outcomes will be discussed with an explicit acknowledgement of national variance.

A further causal component is adaptation and circumvention, which can moderate or transform social effects over time. Individuals and small firms adapt by shifting to third-country travel hubs, alternative payment instruments, different brands, and new service ecosystems. These adaptations do not necessarily negate effects; rather, they often convert them into a persistent “friction tax” paid in the form of higher prices, longer routes, additional intermediaries, and greater legal and practical uncertainty. Adaptation also changes distributional outcomes: those with higher income, better information, and transnational networks can access substitutes more easily, while vulnerable groups face higher effective barriers. This is one reason why later sections treat social costs not as a single aggregate, but as distributional impacts across population segments. Adaptation also interacts with ethics: if a measure primarily increases the cost of legal pathways while leaving circumvention accessible for the wealthy, its moral and strategic coherence weakens. The EU’s evolving emphasis on anti-circumvention measures in other domains suggests that social measures will similarly face the challenge of designing constraints that do not simply reward capacity to circumvent.

The causal architecture must also incorporate information effects and signalling, because sanctions are partly communicative instruments. Some social restrictions function as signals of disapproval and as instruments of diplomatic isolation, regardless of their direct material impact. However, signalling effects are not automatically beneficial; they can also produce counter-mobilisation, identity hardening, and narrative entrenchment. This report therefore treats signalling as a channel that can shape social attitudes and political meaning, but it avoids equating “visibility” with “effectiveness”. Instead, signalling is assessed through its interaction with other channels: does it complement targeted measures by increasing elite disutility, or does it diffuse costs onto ordinary citizens and thus undermine legitimacy? This distinction is crucial for the ethical proposals in Section 4.5, which aim to maintain moral credibility while preserving strategic pressure. EU regime summaries and official explanations of sanctions objectives provide the baseline for how the EU articulates its aims, which can then be compared with observed social outcomes. The causal model thus includes signalling as a mechanism, but insists on empirical discipline and proportionality constraints when interpreting it.

The most analytically sensitive issue is causal attribution, because social outcomes in Russia since 2022 are influenced by multiple contemporaneous shocks: war mobilisation, domestic policy, inflationary pressures, counter-sanctions, corporate decisions, and geopolitical risk. The report therefore adopts an attribution rule: social effects are treated as “sanctions-linked” when there is a credible structural pathway from EU measures and compliance obligations to the observed outcome, even if the outcome is multi-causal. This is consistent with the two-layer model: the legal layer sets constraints and obligations, and the operational layer transmits them into practice through risk management and market reconfiguration. To maintain rigour, the report will later differentiate between (a) direct legal causation, (b) compliance-mediated causation, and (c) market-mediated causation. Each category implies different evidentiary standards and different policy levers for mitigation. For

example, if an effect is compliance-mediated, clearer guidance and safe harbours may reduce harm without weakening sanctions intent; if it is market-mediated, mitigation may require public communication or targeted exceptions. This attribution discipline is necessary to keep Section 4.3 from becoming a purely moral narrative and to preserve the analytic tone established in Part 3.

The architecture also has a temporal dimension: direct restrictions often produce immediate discontinuities, while indirect effects accumulate and evolve through learning, adaptation, and enforcement cycles. Over time, private actors refine screening models, regulators issue additional guidance, and circumvention tactics provoke countermeasures. This creates an iterative system in which the effective restrictiveness can tighten or loosen without a single decisive legislative event. The Commission’s practice of updating consolidated FAQs and maintaining regime summaries reflects this iterative governance logic. For social outcomes, the temporal dimension implies that “first-year shock” analysis can be misleading; what matters for 2026–2030 is whether frictions become institutionalised and whether workarounds become normalised. The causal model therefore anticipates that some social effects will stabilise into a new baseline, while others will attenuate as substitutes mature. This is a key bridge to Section 4.4, where the report will examine scenarios of tightening, selective easing, and hybrid models. It also sets up a methodological requirement: when possible, the report should use multi-year series (e.g., visa statistics) rather than single-point estimates.

In summary, the causal architecture can be expressed as a chain: EU legal measures → compliance obligations and enforcement practices → market and institutional responses → household-level endpoints (mobility, consumption, finance). Direct restrictions are those where the chain is short and explicitly person-facing, such as visa policy and travel bans for listed persons. Indirect effects are those where sectoral measures and sanctions risk reshape private and institutional behaviour, producing friction and exclusion in everyday life. The architecture is also characterised by feedback loops: over-compliance and de-risking generate demand for guidance; adaptation generates anti-circumvention responses; and distributional effects generate ethical and political constraints. This model provides the analytical foundation for the remainder of Part 4: Section 4.2 will catalogue the principal instruments, Section 4.3 will assess costs and acceptability thresholds, Section 4.4 will examine 2026–2030 trajectories, and Section 4.5 will propose ethically robust designs. The goal is not to claim monocausal certainty, but to present a structured and evidence-disciplined explanation of how social effects are produced. Such clarity is a prerequisite for credible evaluation of both effectiveness and proportionality.

Finally, the architecture suggests a pragmatic evaluative stance: the most policy-relevant question is often not whether social effects exist—because they manifest readily—but whether they are strategically purposeful, proportionate, and controllable. Social effects that arise from poorly controlled operational channels, especially over-compliance, may generate harm without generating commensurate strategic leverage. Conversely, narrowly targeted measures with clear pathways and measurable objectives may impose lower collateral costs while maintaining pressure on specific support structures. This is why the report treats governance instruments—guidance, exemptions, safe harbours, review clauses—as integral parts of the causal system rather than as peripheral “soft” add-ons. In the EU context, the existence and continual updating of consolidated implementation guidance indicates recognition that the operational layer must be actively managed to align real-world outcomes with legal intent. The causal architecture thus directly informs ethical sustainability: if the system cannot control who bears costs, it cannot credibly claim proportionality. The subsequent sections will therefore treat “ethical robustness” as an operational property of the sanctions system, not merely a normative aspiration. This framing preserves the report’s overall logic: sanctions are analysed as engineered systems with measurable outputs, constraints, and feedback loops.

Table 4.1.2-1. Transmission channels from EU measures to household-level social outcomes (direct vs indirect)

Channel	Classification	Typical implementing actor(s)	Household endpoint	Illustrative EU anchor (examples)	Core analytic risk
Visa regime tightening (post-suspension of facilitation)	Direct	Consulates, border authorities, carriers	Mobility (access, time, cost)	Commission “Visa measures”; Commission 2022 visa guidelines communication; Council press release on full suspension	Member-state heterogeneity; self-selection effects
Travel bans for listed persons	Direct	Border authorities; screening actors	Mobility + access to EU services	EU restrictive measures framework and listings; regime summaries	Spillovers via association risk
Export bans with lifestyle intent (e.g., luxury goods)	Indirect (policy → market)	Exporters, customs, retailers	Consumption + symbolic status	Commission import/export bans page; regime summaries	Substitution via third countries; visibility > impact
Financial compliance screening and implementation guidance	Indirect (law → compliance)	Banks, payment providers, supervisors	Everyday finance (frictions, refusals)	Commission consolidated FAQs (implementation of 833/2014 and 269/2014)	Over-compliance; de-risking and discrimination
Market exits and service discontinuation under sanctions risk	Indirect (risk → corporate policy)	Firms, platforms, insurers, carriers	Services access + routine transactions	EU objective statements and regime summaries; compliance environment reflected in FAQs	Attribution difficulty; uncontrolled collateral effects

Authorship: analytical framework (this report) was prepared on the basis of official EU institutional materials, EU legal acts and documents

Sources:

- https://commission.europa.eu/topics/eu-solidarity-ukraine/eu-sanctions-against-russia-following-invasion-ukraine/visa-measures_en
- <https://www.consilium.europa.eu/en/press/press-releases/2022/09/09/council-adopts-full-suspension-of-visa-facilitation-with-russia/>
- https://home-affairs.ec.europa.eu/system/files/2022-09/Communication%20from%20the%20Commission%20on%20updating%20guidelines%20on%20general%20visa%20issuance%20in%20relation%20to%20Russian%20applicants%20and%20on%20providing%20guidelines%20on%20controls%20of%20Russian%20citizens%20at%20the%20external%20borders_en.pdf
- <https://eur-lex.europa.eu/eli/reg/2014/833/oj/eng>
- https://finance.ec.europa.eu/system/files/2024-01/faqs-sanctions-russia-consolidated_en.pdf
- <https://eur-lex.europa.eu/EN/legal-content/summary/eu-restrictive-measures-in-view-of-russia-s-invasion-of-ukraine.html>
- <https://www.sanctionsmap.eu/api/v1/pdf/regime?id%5B%5D=26&lang=en>

4.1.3. Measurement and Attribution

Robust evaluation of social sanctions depends on treating “social impact” as an empirical object rather than a rhetorical impression. In this report, measurement is framed around observable *endpoints* (mobility, consumption/services, everyday finance) and the *mechanisms* that plausibly connect EU measures to those endpoints. The central challenge is that most household-level outcomes are multi-causal: they are shaped by EU restrictions, Russia’s domestic policy responses, corporate risk decisions, macroeconomic shocks, wartime uncertainty, and behavioural adaptation. The methodological aim is therefore not to claim monocausal certainty, but to establish structured attribution: what can be asserted with high confidence, what can be asserted probabilistically, and what should be treated as conjecture absent additional evidence. This stance mirrors the audit-ready logic used in Part 3: measure what can be measured, declare assumptions openly, and triangulate across

independent sources. In practice, the discipline of attribution matters as much as the availability of data, because poor attribution turns social analysis into moral narrative. The EU’s approach—periodic regime summaries, interpretative guidance, and consolidated FAQs—implicitly acknowledges that implementation is complex and that effects are mediated through operational behaviour rather than simple legal “on/off” switches.

A workable measurement framework begins with the distinction between direct indicators and proxy indicators. Direct indicators record the immediate application of a rule, such as visa refusal rates, the number of visas issued, or formal decisions that reflect tightened procedural regimes. Proxy indicators, by contrast, capture downstream impacts where the legal signal is mediated, such as increased travel costs due to routing changes, payment frictions, or service discontinuation patterns. The danger is to mistake proxy movement for legal causation, particularly when proxies are affected by global factors such as post-pandemic travel recovery or currency movements. To mitigate this, the report treats direct indicators as “anchor series” and proxies as “context series” that are interpreted in relation to anchors. The Commission’s Schengen visa statistics infrastructure provides one of the strongest anchors available for the mobility domain because it offers comparable cross-country time series.

Attribution, in operational terms, is built on a chain test: Is there a credible pathway from EU measures and compliance obligations to the observed household outcome? If yes, the next question is whether the pathway is “short” (direct causation) or “long” (compliance- or market-mediated causation). A short pathway is visible in administrative gates: visa processing, border checks, travel bans for listed persons, and formal restrictions with immediate denial or delay. A long pathway is typical for financial frictions: a transaction may remain legal, but becomes difficult due to bank de-risking, name-matching risk, documentation uncertainty, or conservative interpretation by compliance teams. Long pathways create genuine effects, but the evidentiary standard must be explicitly lower: one should infer probabilistically rather than assert deterministically. The EU’s consolidated sanctions FAQs are a key source for identifying long-pathway mechanisms because they document recurring implementation ambiguities that generate predictable friction patterns.

For the mobility endpoint, the core measurement set includes applications, visas issued, refusal rates, and—where feasible—granular breakdowns by consulate and member state. These series provide a disciplined way to talk about tightening without relying on anecdote. For example, the Commission’s 2025 reporting on 2024 visa outcomes explicitly notes that refusal rates “presented variations” and gives a country-level comparison in which Russia’s refusal rate is cited as 7.5% in 2024 versus 10.6% in 2023. This single comparison does not imply liberalisation, because refusal rates can fall due to self-selection (fewer weak applications) or altered application composition. However, it does demonstrate why attribution must be careful: “fewer refusals” can coexist with a much smaller overall issuance level, longer processing times, or tighter visa types. The correct inference is therefore conditional: refusal-rate decline suggests changing adjudication outcomes among applicants, but does not alone measure overall mobility access.

Mobility measurement also faces a crucial confounder: demand-side changes. Even if policy tightens, individuals may stop applying because travel has become expensive, routes have become inconvenient, or they perceive higher reputational and administrative risk. If demand collapses, issuance falls even with stable refusal rates, which can produce misleading interpretations. To handle this, the report treats applications and issuance as complementary series and interprets refusal rates as a conditional probability that requires demand context. It also recognises member-state heterogeneity: some consulates may apply stricter evidentiary thresholds, while others may prioritise family and humanitarian cases, producing divergent patterns within the same Schengen system. Where the Commission provides only aggregated statistics, the report uses those aggregates as the baseline and avoids strong claims about specific national practices unless corroborated by additional official sources. This keeps analysis consistent with the evidentiary posture adopted throughout the document.

In the consumption and services endpoint, measurement is inherently more proxy-heavy because many effects are mediated by substitution and market exit decisions. A luxury-goods export ban, for instance, can be legally strict but socially porous through third-country procurement, grey-market channels, and brand substitution. The measurable effects are therefore likely to show up as price premia, changes in product mix, displacement from EU brands to non-EU brands, and increased reliance on intermediaries. Yet even these signals can be polluted by macro factors, including exchange-rate movements and domestic policy changes. As a result, the report treats consumption measurement as a combination of (1) formal scope mapping of bans and (2) market indicators that are used illustratively rather than as definitive causal proof. EU official summaries of the sanctions’ regime provide the legal anchor for what is restricted, while market effects are treated as contingent and heterogeneous.

Everyday finance is the domain where measurement and attribution are most technically demanding, because the most relevant variable is not merely “is it legal?” but “is there a workable compliant pathway for ordinary users?” The law may permit certain transactions, yet the operational reality can be that banks refuse to process them due to uncertainty, internal risk scoring, or fear of inadvertent breaches. This produces a class of outcomes that are real but under-recorded in official statistics, because refusals and delays are not always publicly reported in a systematic way. The Commission’s consolidated FAQs function as a proxy for friction: the persistence and breadth of questions indicates where ordinary actors repeatedly struggle to operationalise the regime. The measurement strategy therefore combines (1) regulatory texts and FAQs for mechanism identification with (2) wherever possible, formal data series on cross-border payment patterns and consumer finance access. Where such series are unavailable or non-specific, the report uses the “friction taxonomy” approach set out in Table 4.1.3-1 to discipline narrative claims.

Table 4.1.3-1. Attribution taxonomy for social-sanctions effects (operational use in this report)

Attribution class	Definition (how the claim is made)	Typical evidence standard	Primary evaluation question	Policy lever implied
Direct legal attribution	Immediate consequence of a clearly defined rule applied to individuals at an administrative gate	Legal text + official statistics/administrative outputs	Does the rule change access directly and measurably?	Legal design; scope; exemptions; procedural safeguards
Compliance-mediated attribution	Outcome plausibly linked to sanctions via screening, de-risking, and interpretation uncertainty	Recurrent official guidance needs + consistent mechanism logic + supporting proxies	Are frictions controllable without weakening enforcement?	Guidance; safe harbours; clearer derogations; harmonisation
Market-mediated attribution	Outcome driven by corporate exit and service discontinuation under sanctions and reputational risk	Structural linkage + triangulated market signals + documented risk environment	Do market responses amplify collateral costs beyond intent?	Targeted exceptions; communication; monitoring; review clauses

Authorship: analytical framework (this report) was prepared by the author

Note (sources): EU consolidated sanctions FAQs and regime summaries illustrate the need for interpretative harmonisation and show where compliance-mediated effects arise in practice.

A further attribution difficulty arises from compliance externalities and the phenomenon of over-compliance. Over-compliance occurs when private actors adopt a conservative interpretation that exceeds legal minimums, usually because the expected cost of an error is high and legal clarity is incomplete. From a household perspective, over-compliance can be indistinguishable from a formal ban, because the user experiences denial or delay regardless of legality. From a policy perspective, however, over-compliance is a different object: it is partly controllable via guidance, safe-harbour provisions, and clearer derogations. That is why the report treats over-compliance as an attribution

category in its right rather than a mere anecdotal complaint. The existence of regularly updated consolidated FAQs is a strong signal that the EU recognises interpretation risk as a systemic issue and attempts to manage it centrally.

The measurement framework also adopts a distributional lens, because social costs are rarely uniform across individuals. Students, researchers, mixed families, diaspora communities, and individuals requiring medical services can face higher welfare losses from mobility and banking frictions than high-income travellers who can absorb extra cost and complexity. This implies that aggregate statistics can understate harm if the marginally excluded groups are small in number but high in vulnerability. Conversely, aggregate proxies can overstate harm if those most able to adapt self-select into alternative routes and remain mobile. For credible evaluation, therefore, the report uses distributional mapping in Section 4.3 and interprets aggregate series through the lens of heterogeneous exposure and adaptive capacity. This approach is consistent with the broader EU policy stance that sanctions should be targeted and proportionate, which presupposes attention to who bears costs.

Triangulation is the practical method that converts these principles into an operational research design. For each endpoint, the report seeks at least three independent evidence streams: (1) official legal/regulatory anchors defining scope; (2) official or high-quality statistical series capturing key outcomes; and (3) interpretative guidance or implementation artefacts that reveal operational friction points. For mobility, this triangulation is comparatively strong, because legal measures, guidance, and visa statistics are all available within EU official infrastructures. For everyday finance, the triangulation is asymmetrical: legal anchors and guidance are robust, but outcome statistics are harder to obtain at household granularity, making friction artefacts more important. For consumption, triangulation is split: legal anchors are clear, but outcome series can be noisy and must be used cautiously. This is why Table 4.1.3-2 distinguishes “anchor indicators” from “supporting proxies” and requires explicit caveats where measurement is structurally weaker.

Table 4.1.3-2. Indicator architecture for Part 4 (anchors vs supporting proxies)

Endpoint domain	Anchor indicators (preferred)	Supporting proxies (conditional)	Official EU data / documentation anchors
Visa mobility	Applications, visas issued, refusal rate (by nationality; by consulate where available)	Processing time proxies; visa type patterns (single vs multiple-entry where reported); route substitution signals	DG HOME Schengen visa statistics portal and annual reporting
Everyday finance	Legal scope mapping + implementation guidance volume/content as friction proxy	Consumer-reported refusal patterns; shifts to alternative rails (where measurable)	Commission consolidated FAQs (updated editions)
Consumption & services	Legal scope of lifestyle-relevant bans; changes in permitted channels	Price premia; brand displacement; third-country procurement reliance	EU regime summaries and sanctions-overview pages

Authorship: analytical framework (this report) was prepared by the author

Sources:

- DG HOME Schengen visa statistics portal: https://home-affairs.ec.europa.eu/policies/schengen/visa-policy/short-stay-visas-issued-schengen-countries_en
- Commission Schengen 2024 visa reporting (incl. Russia refusal-rate comparison): https://home-affairs.ec.europa.eu/news/visa-applications-reach-117-million-eu-and-schengen-associated-countries-2025-05-20_en
- European Commission consolidated FAQs landing page and latest consolidated version listing: https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/sanctions-adopted-following-russias-military-aggression-against-ukraine/frequently-asked-questions-sanctions-against-russia_en
- Consolidated FAQs PDF (example edition hosted publicly): https://celnisprava.gov.cz/cz/Documents/2025-11-21--FAQs-sanctions-Russia-consolidated_en_26.pdf
- EU Sanctions Map (Russia regime PDF): <https://www.sanctionsmap.eu/api/v1/pdf/regime?id%5B%5D=26&lang=en>

- EEAS overview of EU sanctions policy: https://www.eeas.europa.eu/eeas/european-union-sanctions_en

Temporal structure is another essential part of attribution. Direct restrictions often generate immediate discontinuities, whereas indirect effects evolve through learning and adaptation cycles. A refusal rate change may show up quickly, but the reconfiguration of payment practices, service ecosystems, and third-country routing often unfolds over months and then stabilises. Evaluation must therefore be time-aware: early-period measures capture shock effects, while later-period measures capture institutionalisation and adaptation. The Commission’s periodic publication of visa statistics and repeated updates to consolidated FAQs illustrate how the EU system itself evolves over time, which implies that measurement should treat each year as an observation within a moving regime rather than a fixed policy baseline. This temporal discipline also supports the forward-looking analysis in Section 4.4, because 2026–2030 outcomes will be shaped by feedback loops rather than one-off interventions.

Counterfactual reasoning is the final methodological pillar, but it must be handled with care. The question “what would have happened without sanctions?” cannot be answered directly, yet evaluation implicitly relies on some counterfactual concept. In this report, counterfactuals are approximated through controlled comparisons: pre-2022 baselines, cross-national comparisons with other applicant nationalities, and within-system comparisons across Schengen member states. Such comparisons do not yield definitive causal estimates, but they help constrain implausible narratives. For example, comparing Russia’s refusal-rate trajectory with that of other nationalities can reveal whether observed movement is unique or part of a broader Schengen-wide trend. Likewise, comparing issuance patterns across member states can indicate whether outcomes are driven by a common EU-level policy signal or by local administrative preferences. These methods are not perfect, but they create a disciplined alternative to speculative claims.

A related issue is the risk of selection bias and “survivorship” in observed data. Those who remain in official datasets are those who continue to apply, continue to attempt transactions, and remain within compliant channels. Those pushed out of compliant channels may disappear into alternative ecosystems, leaving official data to over-represent the more successful or better-resourced users. This is particularly salient in everyday finance, where users may shift to alternative rails and informal intermediaries that are not visible in EU reporting. The report therefore treats stable official series as necessary anchors but does not treat them as full representations of social experience. Where plausible, qualitative evidence and mechanism analysis are used to infer the likely direction of missingness. This also creates a policy-relevant insight: systems that push activity into less transparent channels can reduce controllability and therefore weaken both effectiveness and ethical defensibility.

Measurement must also account for the EU’s normative framing and governance intent. EU external action materials describe sanctions as instruments to support peace and security, and regime summaries state aims such as weakening the economic base and depriving Russia of critical technologies and markets. Social sanctions, however, sit at the intersection of strategic intent and ethical constraints, because they risk producing collective-like outcomes if poorly targeted or if operational channels generate large collateral burdens. This report therefore treats “policy intent” as an explanatory variable that informs evaluation: when intent is explicitly lifestyle-targeting, consumption effects have different interpretative meaning than when intent is strategic capability degradation. The distinction matters because ethical evaluation in Section 4.5 depends on aligning measurable outcomes with declared objectives and accepted proportionality standards. To keep this consistent, Table 4.1.3-1 classifies outcomes not only by mechanism but also by controllability and alignment with stated intent.

In operational terms, the report’s attribution labels are deliberately conservative. “Direct legal attribution” is reserved for outcomes that are immediate consequences of a formal rule applied by an authority or a regulated entity under clear obligation. “Compliance-mediated attribution” is used when outcomes are plausibly linked to sanctions via screening, de-risking, or interpretation uncertainty, evidenced by recurrent guidance needs and implementation artefacts. “Market-mediated attribution” is

used when outcomes arise from corporate exit, service discontinuation, or reputational risk responses in the sanctions' environment, where the legal link is structural but not strictly compelled. Each label implies a different policy lever: legal design for direct effects, guidance and safe harbours for compliance effects, and communication or targeted exceptions for market effects. This taxonomy prevents the analysis from collapsing different causal types into a single narrative and maintains continuity with Part 3's system-engineering approach.

The measurement strategy is also designed to support the later discussion of ethical robustness, because ethics in this report is treated as partly empirical. If a measure produces disproportionate collateral impacts that are not aligned with strategic objectives, that is not only a moral objection but a design failure that can undermine legitimacy and compliance. Conversely, if impacts are tightly targeted and measurable, ethics becomes operational: one can specify thresholds, monitoring triggers, and review clauses. This is why 4.1.3 insists on indicator selection and attribution discipline upfront. Without those elements, the later sections would be forced into abstract moral language, which would be inconsistent with the overall tone and structure of the document. By embedding ethics into measurement, the report keeps the entire Part 4 within the same analytic idiom as the sanctions-engineering approach used earlier.

Finally, the choice of indicators must be feasible under real-world constraints. Some desirable measures—such as systematic data on payment refusals by cause—may not exist in a public and comparable format. In such cases, the report prefers a disciplined use of second-best indicators over an illusion of precision. This is where documentation artefacts such as consolidated FAQs and official statistical bulletins become especially valuable: they do not measure everything, but they reveal where the system repeatedly “binds” in practice. The report also treats the stability of indicators as a quality criterion: a measure that is published regularly and consistently is more useful for trend analysis than a richer but sporadic source. The Commission's publication cadence for visa statistics and the Commission services' practice of issuing consolidated FAQs provide a workable backbone for 2022–2025 baselining and 2026–2030 scenario monitoring.

Taken together, the measurement and attribution approach used in this report is intentionally modest in its causal claims but strong in its structural clarity. It does not require that every social outcome be uniquely attributable to sanctions. Rather, it requires that claims of sanctions linkage be grounded in credible pathways and supported by transparent indicator choices. It also requires that uncertainty be treated as a feature to be managed rather than a reason to avoid evaluation. This posture enables the report to make policy-relevant judgements about effectiveness, proportionality, and ethical sustainability without overstating what the data can prove. It also creates a stable methodological platform for the next step, 4.2, where measures are catalogued, and 4.3, where social costs and acceptability limits are evaluated using the attribution discipline established here.

4.1.4. Targeting Logic and Legitimacy Constraints

The targeting logic of EU restrictive measures rests on a core proposition: sanctions should exert pressure on the decision-making and enabling structures responsible for objectionable conduct while avoiding the character of population-wide punishment. In EU doctrine, this is often articulated as a preference for targeted measures—travel bans and asset freezes on designated persons and entities—combined with sectoral restrictions designed to reduce strategic capabilities. The social-sphere question is therefore structurally sensitive, because household-level impacts can arise even when the formal target is narrow. The analytical task is to distinguish between intended social pressure (where lifestyle and mobility are deliberately constrained for designated or high-proximity actors) and incidental social burden produced by compliance systems, de-risking, and market exits. The legitimacy constraint is not merely rhetorical: it is grounded in EU legal commitments, including fundamental rights and the principles of proportionality, legal certainty, and effective judicial protection. These commitments have historically shaped the EU's shift away from comprehensive embargo-style sanctions toward more

targeted designs, and they continue to constrain how far social measures can go without undermining the EU's normative posture. In practical terms, legitimacy is sustained when targeting is precise, criteria are intelligible, and collateral burdens are monitored and mitigated through exemptions, guidance, and review mechanisms. The Council's explanation of EU sanctions explicitly emphasises that EU sanctions are targeted and do not target a country or population, which functions as a public-facing legitimacy claim that policy design must be able to substantiate.

Targeting, however, is not a binary property; it exists on a spectrum from designation-based constraints to category-based constraints that capture broad populations by attribute. Travel bans for listed persons sit near the high-precision end: a name-based measure is conceptually targeted, administratively implementable, and contestable through de-listing and judicial review. At the other end are broad consumption or mobility restrictions applied by nationality or residence, which may be administratively straightforward but risk appearing collectively punitive and can generate disproportionate hardship for vulnerable subgroups. Between these poles lies a large middle zone: restrictions that are formally sectoral yet affect ordinary people through service access, payment friction, and private risk responses. In that middle zone, the legal text may remain "targeted" in intent, but the operational reality becomes diffuse because regulated entities apply risk controls at scale. This is why the report treats targeting logic as inseparable from implementation architecture: a measure that is narrow on paper can become broad in practice if compliance incentives and uncertainty push firms toward over-compliance. Recent scholarship and policy analysis of EU restrictive measures highlights that human-rights considerations and judicial review have driven the move to targeted sanctions, but it also notes that effectiveness and legitimacy can be threatened when collateral effects become prominent or poorly controlled.

The legitimacy constraint is sharpened by the EU's legal environment, where restrictive measures are routinely litigated and thus must meet procedural and substantive requirements. Even without rehearsing the full doctrinal detail, the recurring themes in EU restrictive-measures case-law include the need for adequate reasoning, respect for rights of defence, and access to effective judicial protection. These procedural guarantees function as a design constraint: the more a measure resembles a quasi-criminal penalty or a population-level disability, the more intense the legitimacy scrutiny becomes. This is one reason why the EU's sanctions system invests in listing criteria, periodic review, and de-listing processes rather than relying solely on blanket prohibitions. The implication for social sanctions is direct: broad social restrictions that are hard to justify on tailored criteria can be legally and politically fragile, even if they are emotionally or symbolically popular. Legitimacy is also practical: if individuals perceive measures as arbitrary or collectively punitive, compliance and reputational support may erode, particularly among member states whose domestic publics are sensitive to humanitarian and family-life considerations. The report therefore treats legitimacy not only as a legal test but as a governance requirement that protects the durability of the sanctions' regime over multi-year horizons.

A second legitimacy constraint is the EU's commitment to humanitarian space and the avoidance of unintended harm to protected activities. Over the last years, the EU has developed an increasingly explicit set of instruments for humanitarian derogations and guidance intended to ensure that sanctions do not obstruct humanitarian assistance and medical support. Although these instruments are usually discussed in the context of crisis regions and humanitarian operators, they reveal a general principle: sanctions regimes should incorporate workable exceptions and operational guidance where the risk of collateral harm is substantial. This principle carries over to the social domain, where the protected interests may include family reunification, education, medical treatment, and other high-salience needs. The Commission's work on humanitarian derogations and practical compliance guidance demonstrates that legitimacy depends on implementation pathways, not merely on formal exemptions written into law. If an exemption exists but is procedurally inaccessible or inconsistently applied, it will not mitigate social harm and may instead increase perceptions of arbitrariness. The report uses this insight later in Part 4 to frame "ethical robustness" as an operational property: it requires that exceptions are usable, predictable, and auditable. The existence of dedicated factsheets and guidance notes on derogations is evidence that the EU treats this as a systemic issue rather than a marginal concern.

The most persistent challenge to targeting in the social sphere is compliance externalities, particularly in finance and platform-mediated services. Banks, payment providers, and digital platforms operate under strong incentives to avoid any possibility of breach, and therefore tend to implement sanctions through conservative screening rules, broad risk scoring, and cautious customer acceptance standards. Where the legal boundary is complex or frequently updated, these actors often choose the safest operational posture, which may exceed legal minimum requirements. This behaviour is not accidental; it is a predictable equilibrium in a regime where penalties, supervisory scrutiny, and reputational risk are high. The Commission’s consolidated FAQs exist precisely because implementation questions recur across the market and because divergence in interpretation can either weaken enforcement or generate excessive collateral burdens. The legitimacy issue is acute: when lawful transactions are routinely declined due to over-compliance, affected individuals experience a de facto ban without a clear legal basis, without transparent reasoning, and without an obvious remedy. That experience undermines the EU’s “targeted” narrative and creates a credibility gap between legal design and lived reality. For this reason, the report treats over-compliance as a measurable governance problem and not merely as anecdotal inconvenience.

A practical implication is that targeting must be evaluated in two dimensions: scope precision (who is legally within the measure) and operational precision (who is functionally affected). Scope precision is determined by listings, definitions, and prohibitions; operational precision depends on how compliance systems apply those rules in high-volume environments. Where scope is narrow but operational effects are broad, the appropriate mitigation is not necessarily to dilute the sanctions, but to improve operational precision through guidance, safe operational pathways, and clearer derogations. Conversely, where scope itself is broad—such as categorical mobility restrictions—mitigation may require redesign at the legal level, because operational fixes cannot resolve a fundamentally wide perimeter. Table 4.1.4-1 formalises this two-dimensional concept by mapping common instrument types to their typical operational spillovers and controllability. The main analytic point is that legitimacy is threatened less by targeted restrictions per se than by uncontrolled spillovers that disproportionately burden individuals who are neither designated nor plausibly part of enabling structures. In other words, poor targeting is often an implementation failure, not only a drafting failure. This framing also helps maintain consistency with Part 3’s “sanctions engineering” idiom, where outcomes are treated as system properties with feedback loops.

Table 4.1.4-1. Targeting precision vs operational spillover: typical patterns in social-sphere impacts

Instrument type	Legal targeting precision	Typical operational spillover risk	Primary spillover mechanism	Relative controllability (policy levers)	Documentation anchors (EU/official)
Listings (asset freezes / travel bans)	High	Medium	Association risk; cautious service refusal	Medium–High (clear criteria, review, guidance)	Council framing of targeted sanctions; restrictive measures practice
Visa-policy tightening affecting short-stay mobility	Medium	Medium–High	Member-state heterogeneity; procedural burden; self-selection	Medium (guidelines, minimum standards, exemptions)	Commission visa measures and guidance logic
Sectoral financial restrictions (household endpoint)	Medium	High	De-risking, name-matching risk, over-compliance	Medium (FAQs, supervisory guidance, safe pathways)	Commission consolidated FAQs; EBA guidelines
Lifestyle-linked trade bans (e.g., luxury goods)	Medium	Medium	Substitution, third-country procurement, price premia	Low–Medium (anti-circumvention, narrow scope)	Commission sanctions overviews and operator guidance

Authorship: analytical framework (this report) was prepared by the author

Sources:

- Council: “Why the EU adopts sanctions” (targeted narrative):
<https://www.consilium.europa.eu/en/policies/why-sanctions>
- European Commission consolidated FAQs (implementation and over-compliance risk):
https://finance.ec.europa.eu/system/files/2024-01/faqs-sanctions-russia-consolidated_en.pdf
- Commission operator guidance on circumvention (risk-based approach):
https://finance.ec.europa.eu/system/files/2023-12/guidance-eu-operators-russia-sanctions-circumvention_en.pdf

Targeting logic also intersects with the EU’s increasing emphasis on anti-circumvention and “best efforts” compliance obligations, which can unintentionally expand household-level friction. When operators are instructed to apply enhanced due diligence and to detect circumvention patterns, they may broaden screening to any transaction with weak documentation or indirect exposure, including legitimate personal transfers. This can raise compliance burden and delay in exactly the domains where ordinary citizens interact with the system. The Commission has issued operator-oriented guidance encouraging risk-based compliance programmes and red-flag awareness, which is rational from an enforcement perspective. Yet it also means that the operational perimeter expands as soon as risk heuristics are applied broadly. For legitimacy, the challenge is to ensure that anti-circumvention vigilance does not become a blanket presumption against entire customer categories or jurisdictions in a way that is neither required by law nor proportionate to the actual risk. This is where supervisory expectations and industry guidelines become relevant because they shape the compliance “culture” that determines how much conservatism is applied. Recent supervisory-level guidance, such as the EBA’s guidelines on the implementation of restrictive measures by financial institutions, illustrates the degree to which sanctions compliance is being systematised as a governance function. That systematisation improves enforcement but can also harden de-risking, making legitimacy management more important rather than less.

A further constraint is member-state heterogeneity, which affects legitimacy through perceived inconsistency and uneven access. Even where EU law is uniform, national competent authorities differ in administrative capacity, risk tolerance, and interpretative practice. In social domains, individuals experience this heterogeneity directly: visa outcomes, documentation expectations, processing times, and licensing practices may differ across member states. Such variance can induce “route shopping” and thus shift flows rather than eliminate them, which undermines effectiveness, but it also undermines legitimacy by making the system appear arbitrary. The EU has sought to reduce such divergence through consolidated guidance and best-practice frameworks, but the persistence of recurring implementation questions suggests that harmonisation remains incomplete. The policy implication is that legitimacy cannot be secured solely through EU-level legal drafting; it also requires operational convergence and transparent minimum standards of treatment. If the EU’s public claim is that sanctions are targeted and rule-based, then systematically different outcomes across member states weaken the credibility of that claim. This is particularly salient for social measures where human impacts are immediate and politically visible. The report therefore treats implementation harmonisation as a legitimacy instrument in its right.

The legitimacy constraints are also temporal: sanctions regimes evolve through packages and updates, while social systems adapt, and compliance infrastructures recalibrate. A measure that is initially targeted may become broader in practice as firms learn, as enforcement intensifies, or as reputational norms change. Conversely, a measure that is initially blunt may become more precise as exceptions, guidance, and operational pathways mature. This temporal dynamic is important because it means legitimacy is not a static property assessed once; it must be monitored as the regime develops. The EU’s repeated updates of consolidated FAQs and its publication of compliance-oriented guidance indicate that governance is iterative. From a methodological perspective, this justifies the report’s insistence on indicator monitoring and attribution discipline: one cannot assess legitimacy and targeting based on early shock effects alone. For 2026–2030 analysis, the question becomes whether the EU can sustain a

regime whose social spillovers remain within acceptable bounds while enforcement and anti-circumvention measures continue to tighten. That tension is not accidental; it is a structural feature of modern sanctions in a highly intermediated economy. Managing it requires explicit policy design, not ad hoc adjustment.

Another major legitimacy constraint is the risk of collective effects created by category-based restrictions that are socially salient but strategically ambiguous. If mobility measures are applied in ways that appear to treat an entire nationality as suspect, they may generate a perception of collective sanctioning even if the EU formally denies targeting a population. The Council's framing that EU sanctions "do not target a country or population" sets a high bar for how such measures must be justified and implemented. The legitimacy risk here is not only external: within the EU, member-state publics and courts may scrutinise whether restrictions align with EU values and fundamental rights. In addition, category-based restrictions can be strategically counterproductive if they strengthen narratives of isolation and grievance, thereby reducing the persuasive power of the EU's normative position. This report does not assume such backfire effects automatically, but it treats them as plausible and therefore as part of the legitimacy constraint set. Where social restrictions are used primarily for signalling, their legitimacy depends on clarity of objectives and on the existence of meaningful exemptions for protected interests. This argument becomes central in Section 4.5, where "ethical robustness" is proposed as a design standard rather than a rhetorical add-on.

The legitimacy of targeted sanctions also depends on the quality of criteria used for designations and the integrity of review processes. A designation regime that is perceived as opaque, politically arbitrary, or difficult to challenge will face greater legitimacy stress, especially as the number of designations increases. The EU's legal framework has developed in part through litigation pressure, which has encouraged clearer statements of reasons and procedural safeguards. For social sanctions, the analogical point is that the more a measure affects individuals as individuals—mobility, access to funds, access to services—the more legitimacy hinges on transparency and procedural fairness. Even when restrictions are justified on security grounds, the governance system needs a credible channel for clarification and remedy, otherwise the operational layer can drift into unchecked discretion. Academic analysis of judicial protection in EU sanctions underscores that courts play a role in shaping how restrictive measures are designed and defended, particularly where individual rights are implicated. In the Russian context, this role becomes more salient because social impacts are politically contentious and legally complex. The report therefore treats litigation risk and judicial protection as structural constraints on how far social measures can be expanded in a durable policy framework.

There is also a legitimacy dimension linked to the EU's external credibility and international-law posture. The EU often positions its sanctions policy within a framework of international law, human rights, and rule-of-law commitments, and uses sanctions as a diplomatic instrument rather than as a weapon of economic warfare. This posture constrains the acceptable design space for measures that create widespread civilian hardship, because such measures could be argued to conflict with the EU's normative narrative. The relevance for social sanctions is that they are the most visible civilian-facing dimension and therefore the most likely to be assessed through moral and legal lenses. High-precision targeting helps reconcile strategic pressure with normative credibility, but only if implementation does not undermine that precision. For instance, travel bans and asset freezes on designated persons are generally easier to justify as targeted responses to responsibility, whereas broad restrictions on ordinary mobility and consumption require a stronger explanation of necessity and proportionality. In other words, legitimacy constraints tighten as measures approach the lived space of everyday life. That is why the report places particular emphasis on differentiating intentional design from compliance-mediated spillovers.

From a governance perspective, legitimacy constraints can be transformed into design requirements. The most important are: (1) clear objective articulation; (2) narrow scope and explicit criteria; (3) periodic review and sunset logic where feasible; (4) usable exemptions; and (5) operational guidance that reduces over-compliance. These elements are not merely best practice; they are necessary to reconcile

enforcement effectiveness with rights and proportionality. The EU’s best-practice updates and compliance guidance initiatives reflect a trend toward more systematised governance of restrictive measures, including conceptual clarification of indirect involvement (“acting on behalf or at the direction of”) and strengthened expectations around due diligence. Such clarification can improve enforcement but can also widen perceived exposure unless paired with practical pathways that protect legitimate activity. The implication for social sanctions is that “precision” must be understood as both legal and operational precision. A measure can only remain legitimate over time if the EU can show that it has governance tools to correct collateral burdens without eroding pressure on intended targets. This is precisely the logic that motivates the later proposals in Part 4 for ethically robust measures that preserve strategic intent while safeguarding protected interests.

It follows that legitimacy constraints are not simply “limits” that weaken sanctions; they can also be construed as conditions of durability. A regime that generates uncontrolled collateral harm may face political fragmentation within the EU, increased litigation, reduced voluntary compliance, and reputational costs that erode the EU’s diplomatic leverage. Conversely, a regime that is transparent, targeted, and procedurally robust can sustain pressure longer and with broader coalition support. In this sense, legitimacy is a strategic asset, not merely a moral nicety. This report adopts that view and therefore treats legitimacy management as part of sanctions engineering: it is an element of system stability and controllability. Where social sanctions are concerned, controllability is particularly important because the operational layer is dominated by private actors whose incentives naturally produce conservatism. Legitimacy-oriented governance can align those incentives with proportional outcomes by reducing uncertainty and providing safe, compliant channels. The EBA’s supervisory guidelines on restrictive measures and the Commission’s consolidated FAQs are practical examples of how the EU attempts to shape the operational layer. They are therefore relevant not only for compliance but also for legitimacy.

The interaction between targeting and legitimacy is especially visible in the question of “who pays” for sanctions. If the social costs fall disproportionately on groups with weak political agency—students, mixed families, diaspora communities, patients—then legitimacy risk increases even if aggregate economic cost is modest. This distributional issue is central to social sanctions because many vulnerable groups have high welfare sensitivity to mobility and financial friction. Effective targeting seeks to concentrate costs on those responsible or enabling, whereas poor targeting diffuses costs across those least responsible. Table 4.1.4-2 therefore sets out a legitimacy constraint matrix linking common social endpoints to the principal rights and proportionality concerns, and to practical mitigation levers. The purpose is to keep later discussions in 4.3 and 4.5 operational rather than abstract. Once legitimacy is specified as a matrix of constraints and remedies, it can be monitored and managed over time. That approach is consistent with the report’s overall commitment to structured evaluation and transparent assumptions.

Table 4.1.4-2. Legitimacy constraint matrix for social endpoints: risks and mitigation levers

Social endpoint domain	Key legitimacy concerns	Typical “failure mode” in practice	Mitigation levers (design + implementation)	Official guidance anchors
Mobility (visas, entry, transit)	Proportionality; non-arbitrariness; family-life and humanitarian interests	Uneven consular practice; opaque refusals; elevated procedural barriers	Clear guidelines; transparent criteria; humanitarian/family exemptions; review mechanisms	Commission visa measures and related guidance approach
Everyday finance (payments, accounts, transfers)	Legal certainty; non-discrimination; access to remedies; proportional collateral impact	Over-compliance; de-risking; lawful transfers declined without explanation	Consolidated FAQs; supervisory expectations; safe operational pathways; complaints/escalation routes	Commission consolidated FAQs; EBA governance standards

Social endpoint domain	Key legitimacy concerns	Typical “failure mode” in practice	Mitigation levers (design + implementation)	Official guidance anchors
Consumption & services (platforms, subscriptions, consumer markets)	Collective-effect perception; mismatch between intent and burden	Private exits exceed legal scope; access restrictions applied categorically	Communication of scope; targeted exceptions; monitoring of discriminatory outcomes	Operator guidance and regime explanations

Authorship: analytical framework (this report) was prepared by the author

Sources:

- Commission consolidated FAQs (implementation, legal certainty):
https://finance.ec.europa.eu/system/files/2024-01/faqs-sanctions-russia-consolidated_en.pdf
- Council targeted-sanctions framing: <https://www.consilium.europa.eu/en/policies/why-sanctions/>
- Humanitarian derogations factsheet (exemptions as governance tool):
https://finance.ec.europa.eu/system/files/2022-04/eu-restrictive-measures-humanitarian-derogations-factsheet_en.pdf

Finally, the targeting logic of social sanctions must be evaluated against the strategic question: does social pressure plausibly change the behaviour of those responsible, or does it mostly generate symbolic antagonism and adaptation? This question cannot be answered purely normatively, but legitimacy constraints require that it be asked because disproportionate harm is not justified by speculative benefits. The EU’s official stance frames sanctions as a diplomatic tool aimed at influencing policies and deterring conduct, not as punishment of populations. Therefore, when social measures are considered, they should be evaluated for their marginal contribution to strategic leverage relative to their collateral burden. If a measure’s primary effect is a diffuse “friction tax” on ordinary people, while elites circumvent at lower relative cost, both effectiveness and legitimacy weaken. In such settings, legitimacy constraints suggest a shift toward measures that are more intelligence-led and designation-based, with protected channels for humanitarian, educational, and family-related activities. This is the conceptual bridge to Section 4.5: ethically robust measures are not only morally preferable but often strategically cleaner. The design challenge is to preserve pressure while ensuring that the operational layer does not turn precision into diffusion. The EU’s iterative guidance and best-practice work indicates awareness of this challenge and provides institutional tools that can be adapted for social-sphere governance.

4.2. Review of Social Sanctions

4.2.1. Visa Mobility

Visa mobility is the most visible and administratively “clean” domain of social sanctions, because it operates through recognisable public gates: consulates, border checks, and carrier controls linked to entry conditions. In the EU–Russia case, visa mobility measures are not framed as classic economic sanctions, yet they function as a systematic constraint on cross-border social interaction, family travel, tourism, and business micro-mobility. The policy effect is produced not only through formal legal decisions but also through guidance that steers member-state practice toward tighter scrutiny and a narrower interpretation of admissible purpose. This domain is also empirically tractable compared with consumption and everyday finance, because Schengen visa outcomes are reported through EU infrastructures and periodically summarised by the Commission. However, tractability does not eliminate complexity: visa mobility is shaped by both supply-side decisions (issuance, refusal, processing) and demand-side behaviour (whether people apply at all), and those two components can move in opposite directions. The purpose of this subsection is to map the principal EU-level mobility measures, explain their operational translation, and identify how to interpret official statistics without

over-attributing every movement to sanctions alone. A key methodological choice is to treat mobility as an endpoint where restrictiveness can increase via procedures, cost, uncertainty, and time, even where formal access remains legally possible.

The pivotal legal pivot in the EU’s visa posture toward Russia was the full suspension of the EU–Russia Visa Facilitation Agreement adopted by the Council in September 2022, with application commencing shortly thereafter. In practical terms, this moved Russian short-stay applicants from a facilitated regime toward the general rules of the EU Visa Code, raising procedural friction through longer processing times, higher fees in some contexts, stricter evidentiary requirements, and reduced predictability of outcomes. The Council’s communication around this decision explicitly positioned it as a response to Russia’s war and as a measure with system-wide implications for categories of travellers rather than a narrow listing-based tool. The Commission complemented the suspension with detailed guidelines on general visa issuance for Russian applicants and on controls at the external borders, recognising that the effective impact depends on how member states apply security and public-order discretion. This is an important design signal: the EU was not merely changing a legal baseline, but actively managing interpretation so that increased scrutiny would be applied consistently. The consequence for social sanctions analysis is that the “measure” is not only the suspension itself, but also the guidance-driven tightening of adjudication practice that follows. For an audit-ready account, the suspension and the Commission guidelines should be treated as the foundational instruments that structure all subsequent mobility outcomes discussed in Part 4.

A second defining feature of EU visa mobility policy is the split between EU-level baseline rules and member-state implementation heterogeneity. While Schengen rules are common, consular practice and administrative capacity vary, and national political preferences can influence how strongly guidance is operationalised. This heterogeneity matters because it creates a de facto “routing” dimension even in visa mobility: applicants may prefer particular member states based on perceived approval likelihood, processing speed, or documentary requirements. Heterogeneity also affects the credibility of broad statements such as “Europe is closed” or “visas are back,” because both can be locally true depending on the consulate and travel purpose. For the report’s logic, this is best handled through a two-step description: first, specify the EU-level policy shift; second, record member-state divergences as an implementation layer that amplifies or attenuates the baseline. The existence of Commission guidance aimed at border controls and general issuance demonstrates that the EU anticipated the risk of divergent practice and attempted to constrain it through shared interpretative parameters. Yet the persistence of political debate among member states about tourism and security indicates that heterogeneity remains a structural feature rather than an anomaly. A sanctions-engineering view therefore treats heterogeneity as a predictable constraint on both effectiveness and legitimacy, to be revisited under “limits of acceptability” in Section 4.3.

From an effectiveness perspective, visa mobility measures can be interpreted through three distinct mechanisms that should not be conflated. The first is administrative friction, where the same traveller can still apply, but faces higher documentation burdens, longer timelines, and lower multi-year predictability. The second is selective deterrence, where applicants reduce demand because the expected cost of denial rises, or because travel becomes socially and reputationally charged. The third is security-driven exclusion, where refusal and denial become more frequent for categories of applicants assessed as higher risk, regardless of their economic capacity. These mechanisms can coexist and can produce ambiguous statistical signals: for example, refusal rates can fall if marginal applicants stop applying, even while overall access narrows. Conversely, issuance can rise year-on-year from a low base while the system remains structurally tighter than pre-2022 norms. For social sanctions analysis, the most policy-relevant output is not simply “number of visas,” but the quality of mobility: whether mobility is predictable, repeatable, and low-friction. That is precisely why facilitated regimes matter: they reduce transaction costs and increase repeat travel; removing facilitation pushes mobility into a high-friction state that is materially experienced as social constriction.

Official statistics provide a necessary anchor, but they require careful interpretation. The Commission’s annual summaries of Schengen visa applications and refusals show that refusal rates vary by country and change across years, and they explicitly cite Russia as an example of such variation. In its May 2024 summary of 2023 outcomes, the Commission noted Russia’s refusal rate as 10.6% in 2023 versus 10.2% in 2022, framing it within a broader discussion of refusal-rate variation across countries. In its May 2025 summary of 2024 outcomes, the Commission cited Russia’s refusal rate as 7.5% in 2024 versus 10.6% in 2023, again as an example of year-on-year differences. These figures are valuable because they are official and comparable, but they are not self-interpreting: a declining refusal rate can indicate improved applicant quality, changed consular practice, or altered application composition. What they do establish is that the system is dynamic and that claims about “tightening” cannot be reduced to a single refusal-rate trendline. Therefore, the report’s method is to treat refusal rates as a conditional indicator and to interpret them alongside application volume, issuance volume, and policy changes affecting multi-entry practice.

The “volume” side of the story is equally important because it captures whether mobility is broadly available or limited to a narrower slice of demand. Media reporting linked to EU policy changes has repeatedly contrasted post-2022 issuance levels for Russians with the pre-war baseline, emphasising that the number of visas issued fell dramatically relative to 2019. Reuters and the Associated Press, reporting on later tightening steps, described the post-invasion collapse in visas issued to Russian nationals, placing 2019 issuance in the multi-million range and describing subsequent years as a fraction of that level. Even if such figures are presented as rounded estimates in news reporting, the direction and magnitude of change are consistent with the structural reality that a facilitation regime was removed and that mobility became harder, slower, and more security-filtered. For the report, the key analytic point is not the exact integer but the structural break: a shift from high-throughput civilian mobility to a constrained system where each journey is more costly in time and uncertainty. That break functions as a “social pressure lever” in EU sanctions logic, because it reduces normalised social interchange while remaining defensible under a security-public-order frame. The legitimacy challenge, however, is that civilian-facing volume reduction can look like collective restriction, especially when it affects non-designated individuals and families. This tension is revisited in Section 4.3 and informs the ethical design proposals in 4.5.

A notable evolution in the EU’s approach is that visa mobility policy has remained an active field of tightening well after the initial 2022 suspension. By late 2025, EU institutions communicated additional steps aimed at increasing scrutiny, including the stated move away from issuing multi-entry visas to Russian citizens as a general rule, with limited exceptions. Reuters reported that the EU toughened visa rules so that Russian nationals would no longer be eligible for multiple-entry visas and would need to apply afresh for each trip, explicitly linking the design to public security concerns and risks of misuse. The AP account similarly described the measure as designed to allow “close and frequent scrutiny,” while referencing exceptions for specific categories such as dissidents, independent journalists, human rights defenders, and close family members. This tightening illustrates a recurring pattern: rather than a categorical Schengen closure, the EU has pursued procedural designs that preserve a legal pathway while increasing the cost and scrutiny of repeat travel. From a sanctions-engineering viewpoint, restricting multi-entry is a high-leverage adjustment because it reduces long-horizon mobility predictability and increases administrative control points without requiring a full ban. Socially, it shifts mobility from routine to exceptional, thereby altering the texture of cross-border life. Politically, it is framed as a privilege conditioned on security, which strengthens the legitimacy narrative but also risks reinforcing perceptions of collective suspicion.

Visa mobility constraints do not operate in isolation; they interact with transport connectivity, consular outsourcing, and third-country routing in ways that can magnify or obscure the legal change. When direct routes are limited or expensive, the effective cost of travel rises independently of visa refusal rates, and a portion of demand shifts to indirect itineraries via third countries. This can reduce applications in some consulates while increasing them in others, altering the statistical geography of visa demand.

Additionally, visa application processes themselves can be affected by operational disruptions—appointment availability, external service providers, and local capacity—which are not “sanctions” in legal form but become part of the lived experience of restriction. The policy risk is that these operational factors can generate friction that is socially salient but analytically misattributed if not separated from the legal baseline. For that reason, the report treats connectivity and consular capacity as contextual variables rather than as core sanction instruments, but it does not ignore them, because they influence distributional outcomes. In practice, the people most affected by routing and appointment constraints are often those whose travel is not discretionary—family visits, medical travel, and educational transitions—where delays and uncertainty carry high welfare costs. This is one of the reasons the later ethical proposals emphasise protected channels and usable exemptions.

The implementation layer also reveals an important phenomenon: policy-induced selectivity can shift the composition of travellers rather than simply suppress travel in the aggregate. When procedures tighten and multi-entry predictability decreases, higher-income travellers with access to intermediaries and flexible schedules can often adapt, while lower-income or time-constrained travellers face higher effective barriers. The result is a distributional tilt: mobility becomes more stratified even if it remains legally possible. This matters for interpreting refusal rates, because applicant pools change; it also matters for evaluating legitimacy, because a measure that primarily filters by capacity to bear friction can be criticised as indirectly discriminatory. From an effectiveness standpoint, the EU’s strategic objective is not to punish civilians but to reduce normalisation and raise pressure on enabling structures; if the wealthy can still travel via friction-absorbing channels, the strategic coherence of broad friction increases becomes less clear. That is why the report distinguishes between “access” and “quality of access,” treating predictability and repeatability as the key social outputs. The 2025 move to reduce multi-entry availability can be interpreted as an attempt to reduce the advantage of high-resource repeat travellers by forcing repeated scrutiny. Whether it succeeds depends on implementation consistency and the availability of alternative pathways outside consular competence rules.

From a measurement standpoint, visa mobility is suitable for a compact indicator suite that can be monitored over time and connected to policy milestones. The anchor indicators are applications, visas issued, and refusal rates, ideally disaggregated by member state and consulate where available through official datasets. Supporting indicators include the share of multiple-entry visas, processing time proxies, and shifts in the geography of applications (for example, increased filings outside Russia if consular competence rules permit). The Commission’s annual visa statistics updates provide at least partial support for this suite by highlighting refusal-rate variation and reporting on multi-entry shares in the overall Schengen system. The report’s evaluation method is therefore to treat changes in multi-entry policy as a structural mobility-quality variable, not merely as an administrative detail. A fall in multi-entry issuance is equivalent to an increase in repeat travel transaction costs, which is socially meaningful and strategically relevant. Where later sections require quantification, Table 4.2.1-1 defines the indicator architecture and specifies how to interpret each indicator under attribution discipline. This keeps the mobility analysis consistent with Part 3’s approach: an instrument-to-metric mapping with explicit caveats and constraints.

Table 4.2.1-1. Measurement framework for visa mobility in Part 4 (indicator interpretation rules)

Indicator	Why it matters	Core interpretation caveat	Primary official anchor
Applications (count)	Demand-side willingness to engage with the system; sensitive to friction and expectations	Can fall even if refusal rates fall; affected by routing and perceived chances	Commission visa statistics infrastructure ¹
Visas issued (count)	Outcome volume; approximates breadth of access	Issuance can rise from a low base while mobility remains structurally tighter than pre-2022	Commission statistical reporting ²

Indicator	Why it matters	Core interpretation caveat	Primary official anchor
Refusal rate (%)	Conditional indicator of adjudication outcomes among applicants	Strongly affected by selection bias; not a stand-alone measure of “openness”	Commission news releases citing refusal-rate variation ³
Multi-entry share / policy	Proxy for mobility quality (repeatability, predictability)	Changes can be policy-driven even if aggregate issuance remains stable	Reuters/AP reporting on multi-entry tightening ⁴

Authorship: analytical framework (this report) was prepared by the author

Note: For sanctions-attribution discipline, refusal-rate movements are interpreted only alongside application and issuance context, and multi-entry policy changes are treated as “mobility-quality” shifts rather than merely administrative details.

¹ https://home-affairs.ec.europa.eu/policies/schengen/visa-policy/short-stay-visas-issued-schengen-countries_en

^{2,3} https://home-affairs.ec.europa.eu/news/visa-applications-reach-117-million-eu-and-schengen-associated-countries-2025-05-20_en

⁴ <https://www.reuters.com/world/eu-toughens-visa-rules-russians-2025-11-07/>

The policy rationales offered in official communication emphasise public security, prevention of misuse, and the broader political context of the war. These rationales function as legitimacy supports, positioning tighter mobility as consistent with the idea that entry is discretionary and conditional. Reuters explicitly tied the 2025 tightening to concerns including sabotage and misuse, while Commission-linked messaging described frequent scrutiny as necessary to mitigate security risk. Such rationales are not merely discursive; they matter operationally because security framing tends to justify conservative interpretation by authorities and private carriers, reinforcing the tightening effect even when formal rules are not “total bans”. However, the same framing can increase the risk of over-breadth if it encourages categorical suspicion rather than risk-based selectivity. The EU’s attempt to preserve exceptions for “trusted” categories indicates awareness of this legitimacy trade-off: tightening is presented as general, but humanitarian and civil-society pathways are protected to avoid the impression of indiscriminate closure. In sanctions engineering terms, these exceptions are not loopholes; they are stabilisers that protect normative credibility and reduce collateral harm. The empirical question for later sections is whether these exceptions are operationally accessible, or whether they exist mainly as declaratory safeguards.

The system also exhibits a geopolitical “edge effect” driven by border-adjacent member states whose security exposure is more immediate. Reporting and policy debate in 2024–2025 continued to highlight tensions between member states that prefer strict limitation of Russian tourist visas and others that maintain more permissive issuance in certain categories. This matters because Schengen visas have cross-area effects: a visa issued by one member state enables travel across the area, which can trigger political friction about burden-sharing and security risk. In practice, this can produce pressure for harmonisation and renewed Commission guidance, particularly when issuance patterns diverge significantly. The sanctions-engineering implication is that visa mobility is a domain where EU-level policy will continue to iterate, because the external security environment drives periodic calls for tighter uniformity. For the report’s 2026–2030 perspective, this suggests a plausible trajectory toward stricter standardisation and narrower multi-entry practice, paired with formalised exceptions for protected groups. Such a trajectory would maintain the EU’s “targeted, not population-wide” narrative while continuing to erode routine mobility normalisation. The key constraint is that too blunt a harmonisation could raise litigation and legitimacy costs, especially where family life and humanitarian needs are implicated.

A critical methodological risk in mobility analysis is to interpret visa measures as a direct proxy for attitudes inside Russia or for regime support dynamics. Visa constraints can have symbolic effects, but they do not map cleanly to political outcomes, and the report avoids speculative claims where evidence is weak. Instead, effectiveness is defined more narrowly: visa measures reduce normalised interaction,

increase scrutiny on inbound movement, and raise the cost of repeat access to the EU travel area. These are measurable outputs, and they can be assessed without assuming downstream political behaviour change. Where political effects are discussed, they are treated as second-order and contingent, to be analysed under broader social-cohesion and narrative mechanisms in Section 4.3. This is consistent with the attribution discipline introduced in Paragraph 4.1.3: mobility measures are directly attributable as administrative constraints, but their social-psychological consequences are largely indirect and multi-causal. The report's approach is therefore to evaluate mobility in terms of controllability and proportionality: can the EU maintain security objectives while keeping protected channels open and avoiding uncontrolled spillovers? That question is operational and policy-relevant, and it can be answered with better fidelity than broad claims about societal pressure.

From a system perspective, visa mobility measures also create adaptation incentives that alter the enforcement landscape. If routine travel becomes difficult, individuals may seek alternative routes via third countries, alter declared purposes, or use intermediaries to manage documentation and appointments. Such adaptation is not automatically unlawful, but it can increase the workload and suspicion dynamics of consular systems, reinforcing conservative adjudication. It can also shift risk toward identity and document fraud, which further strengthens security-based legitimacy arguments for tight scrutiny. This creates a feedback loop: tighter rules encourage adaptive behaviour; adaptive behaviour increases perceived risk; perceived risk justifies tighter rules. The Commission's border and issuance guidance can be interpreted as an attempt to manage this loop by standardising risk controls and preventing circumvention through consular competence rules. For sanctions engineering, feedback loops are central because they shape the steady-state: a high-friction equilibrium can persist even if the original shock recedes. Therefore, the report treats visa mobility not as a one-off decision in 2022, but as an evolving regime where the effective level of restrictiveness is produced by iteration.

The welfare implications of mobility restrictions are uneven, and that unevenness is central to the social sanctions analysis. Tourism is discretionary for many, but family reunification, care obligations, and educational transitions are not, and delays and uncertainty impose real welfare losses. The EU's practice of articulating exceptions for trusted individuals and close family members signals an attempt to avoid disproportionate harm, but the extent of mitigation depends on operational accessibility. If exceptions require complex evidence or face uneven application, the social burden remains high even if the legal architecture appears balanced. This is why later sections treat ethical robustness as an operational property, not simply a legal clause. In mobility, operational robustness means predictable appointment availability, clear documentary standards, and consistent treatment across member states. Where these conditions fail, legitimacy costs rise because affected individuals experience the system as arbitrary. Consequently, the report sets up mobility as the domain where the EU has the strongest opportunity to demonstrate proportionate design: the indicator suite is clear, the administrative gates are defined, and exceptions can be engineered with measurable performance standards.

In summary, EU visa mobility measures constitute a core component of social sanctions because they deliberately reshape the normality of cross-border interaction while remaining anchored in security-public-order rationales. The foundational step was the suspension of facilitation and the accompanying Commission guidance, which shifted the system to a higher-friction baseline. Subsequent tightening—most notably the move away from multi-entry issuance—illustrates an optimisation strategy: preserve legal access but reduce predictability and increase scrutiny. The key EU-level milestones that define this baseline shift are summarised in Table 4.2.1-2.

Table 4.2.1-1. EU-level milestones shaping visa mobility for Russian nationals (short-stay / Schengen-related)

Date	Instrument / event	Practical mobility effect (mechanism)	Documentation anchor
9 Sep 2022 (applies from 12 Sep 2022)	Council decision to fully suspend the EU–Russia Visa Facilitation Agreement	Shift from facilitated regime to general Visa Code rules; higher procedural friction and scrutiny	Council press release; Commission “visa measures” page ¹
30 Sep 2022	Commission communication updating guidelines on visa issuance for Russian applicants and guidance on external border controls	Harmonises interpretation; encourages stricter scrutiny and consistent controls across member states	Commission communication ²
2023–2024 (annual statistical reporting)	Commission reporting on Schengen visa applications/issuance and refusal rates	Provides anchor series for refusal-rate dynamics and trend interpretation	Commission news releases (2024; 2025) ³
Nov 2025 (reported tightening)	Shift away from multi-entry visas for Russian nationals (with limited exceptions)	Reduces repeat-travel predictability; increases frequency of scrutiny per trip	Reuters / AP reporting; EEAS delegation messaging ⁴

Authorship: analytical framework (this report) was prepared by the author

Note: This table records EU-level milestones that shape the baseline regime; member-state specific restrictions and practices operate as an implementation layer and are treated separately in the text where relevant.

¹ <https://www.consilium.europa.eu/en/press/press-releases/2022/09/09/council-adopts-full-suspension-of-visa-facilitation-with-russia/>

² https://home-affairs.ec.europa.eu/system/files/2022-09/Communication%20from%20the%20Commission%20on%20updating%20guidelines%20on%20general%20visa%20issuance%20in%20relation%20to%20Russian%20applicants%20and%20on%20providing%20guidelines%20on%20controls%20of%20Russian%20citizens%20at%20the%20external%20borders_en.pdf

³ https://home-affairs.ec.europa.eu/news/visa-applications-reach-103-million-eu-and-schengen-associated-countries-2024-05-15_en

⁴ <https://www.reuters.com/world/eu-toughens-visa-rules-russians-2025-11-07/>

Official statistics provide anchors for refusal-rate dynamics, but interpretation must account for demand shifts and selection effects. The strategic output is not simply fewer trips, but a reduction in routine, low-friction mobility, which is socially meaningful and politically salient. The principal constraint is legitimacy: measures must avoid drifting into de facto population-wide punishment, and protected channels must be operationally usable. For the remainder of Part 4, visa mobility therefore serves as both a substantive case study and a methodological template: it is the domain where “sanctions engineering” can most credibly align objectives, measurable outputs, and ethical constraints.

4.2.2. Consumer Restrictions

Consumer-facing restrictions in the EU–Russia sanctions environment operate through a hybrid of explicit trade prohibitions and market-mediated constraint, with the latter often being more salient in everyday life than the formal legal text. In strict legal terms, EU restrictive measures are not framed as “consumer sanctions”, yet a subset of measures is designed to affect lifestyle consumption and the availability of consumer goods and services, particularly in the premium segment. In operational terms, the consumer domain becomes a social-sanctions channel whenever restrictions reshape what households can buy, how they can buy it, and the time/cost uncertainty attached to acquisition. The EU’s explanatory materials explicitly describe an export ban on luxury goods as intended to “directly hit Russian elites”, which is a consumption-facing targeting logic rather than a capability-denial logic. This matters for the structure of Part 4: unlike dual-use or industrial controls, consumer restrictions must be evaluated through symbolic targeting, substitution pathways, and the distribution of burdens across social strata. In this subsection, the term “consumer restrictions” therefore includes (1) bans on certain

consumer goods exports to Russia (luxury and lifestyle-adjacent goods), (2) restrictions that inhibit consumers' access to services and platforms through sanctions risk, and (3) indirect constraints from compliance, shipping, and corporate withdrawals that transform legal measures into lived scarcity or higher costs. For clarity and auditability, the principal instrument types and their social endpoints are mapped in Table 4.2.2-1.

Table 4.2.2-1. Typology of EU consumer restrictions and their household-level endpoints

Instrument type	Legal basis / anchor	Direct consumer relevance	Typical household endpoint	Primary constraint / caveat	Key sources
Luxury goods export ban (listed goods; value thresholds)	Regulation 833/2014 (Annex XVIII); EU regime summaries; Commission luxury goods FAQs	High	Loss of authorised EU-origin luxury channels; substitution; price premia; ecosystem displacement	High circumvention incentives; classification/valuation ambiguity	EU Sanctions Map regime PDF; Commission luxury goods FAQs; Regulation 833/2014
Consumer-adjacent services restrictions (business services affecting consumer platforms indirectly)	Regulation 833/2014 service provisions; Commission service measures and FAQs	Medium–High (indirect)	Platform/service access changes; reduced support and updates; service discontinuation	Attribution complexity; private governance dominates	Commission financial & business service measures; Commission consolidated FAQs
Market exits and reputational withdrawals	Market-mediated (not always legally compelled)	High (in lived experience)	Brand disappearance; loss of warranties; reliance on parallel imports	Not cleanly attributable; heterogeneous by firm and sector	Reuters reporting on corporate behaviour (illustrative) ¹
Currency/cash constraints affecting spending capacity (border-adjacent consumer effect)	EU prohibition on export of euro banknotes (with personal-use exceptions)	Medium (cross-border spending)	Increased friction for travel spending; shift to alternative instruments	Often implemented conservatively; national practice varies	EU judicial communication on banknote export prohibition ²

Authorship: analytical framework (this report) was prepared by the author

Note: This typology separates (i) formal legal restrictions from (ii) market-mediated operational effects; both matter for social outcomes, but they require different attribution standards (Paragraph 4.1.3).

¹ <https://www.reuters.com/sustainability/society-equity/lvmh-shut-down-russia-when-war-started-it-kept-storied-hotel-that-serves-2026-02-27/>

² <https://curia.europa.eu/site/upload/docs/application/pdf/2025-04/cp250056en.pdf>

The EU's consumer-relevant restrictions sit within the broader trade-and-services architecture under Council Regulation (EU) No 833/2014 and its successive amendments, which provide the core legal framework for sectoral measures. Within that framework, consumer restrictions are not a standalone chapter; they are embedded in trade provisions (exports and imports) and service prohibitions that, while often justified as economic pressure, can transmit into household consumption. The "luxury goods" ban is the clearest example because it is explicitly consumption-coded and tied to a political narrative of elite pressure. The EU Sanctions Map regime summary for Russia also highlights luxury goods as a distinct item within the trade restrictions set, which further indicates the EU's intent to treat this as a visible and recognisable measure. A key methodological point is that consumer restrictions should be assessed primarily via availability and friction rather than absolute deprivation, because substitution and rerouting can sustain supply at higher cost. The sanctions system, in effect, tends to impose a "risk and compliance premium" on consumer access rather than fully eliminating consumption, especially for high-resource households. This is why the report treats consumer

restrictions as part of social sanctions: they function through everyday experiences—delays, price increases, reduced choice, loss of brand access, and service discontinuation—rather than through macro aggregates alone. The measures therefore have social meaning even when their measurable economic weight is modest relative to Russia’s total imports.

The luxury goods export ban has become the anchor instrument for consumer restrictions because it is explicitly designed to be socially legible and politically communicable. The Commission’s March 2022 Q&A framed the luxury export ban as a way to hit elites and included luxury cars and jewellery as illustrative examples. The operational detail is more precise: the prohibition applies to luxury goods listed in Annex XVIII to Regulation 833/2014, typically subject to a value threshold per item (commonly referenced at €300 per item for many categories, with category-specific details in the annex and guidance). The Commission has also published dedicated FAQs on luxury goods that clarify the purpose of derogations and interpretative questions, which indicates both the complexity of implementation and the expected prevalence of borderline cases. In sanctions-engineering terms, this is a classic sign of a measure with high visibility but non-trivial operational ambiguity: classification, valuation, indirect supply chains, and re-export risk all create compliance frictions. For household-level effects, the key output is not only whether luxury items disappear, but whether EU-origin channels become inaccessible, thereby forcing substitution toward non-EU suppliers or indirect procurement. The ban also interacts with corporate decisions, because many premium brands chose to suspend or exit Russian retail presence, amplifying the perceived “closure” of European luxury even beyond legal requirements.

A crucial analytical distinction is between legal unavailability and effective unavailability. Legal unavailability occurs when a good is prohibited from being sold, supplied, transferred, or exported to Russia or for use in Russia under EU law. Effective unavailability occurs when a good remains technically lawful to source from elsewhere, yet becomes practically difficult to obtain due to a combination of logistics, payment frictions, platform restrictions, and the disappearance of authorised retail and after-sales services. Effective unavailability is often the dominant lived experience for ordinary consumers because it affects routine product acquisition and service support rather than only the initial purchase. It also produces a qualitatively different social effect: consumers do not merely switch brands; they experience institutional exclusion from the ecosystem of warranties, repairs, upgrades, official distribution, and customer support. This is one reason the report includes corporate withdrawal effects inside the consumer restriction perimeter as market-mediated sanctions effects, even when they are not strictly mandated by a single legal clause. The Reuters reporting on major luxury-sector withdrawals and complex residual operations illustrates how corporate choices can be partly aligned with sanctions risk while still producing uneven outcomes on the ground. For policy evaluation, this means “consumer restrictions” should be treated as a system output of law plus market governance, not a list of prohibitions alone.

The consumer domain is also shaped by services restrictions that are not consumer goods but affect consumer access to products and daily digital life through enabling functions. While many services ban in the EU regime are framed as business services and professional services restrictions (e.g., consultancy, advertising, market research, and certain software-related limitations), their second-order effect can be consumer-relevant by constraining the ability of firms to operate, market, deliver, and support products and platforms. In practical terms, if a platform cannot lawfully provide certain services to Russian counterparties, or if compliance risk is high, the platform may restrict Russian user accounts or reduce service availability. Even where the legal target is a business entity, the household endpoint can be a change in consumer services access or reduced choice in digital subscriptions and app-based ecosystems. The Commission’s consolidated FAQs play an important role here because they show that implementation questions repeatedly arise at the boundary of what is permitted, often leading to conservative operational decisions by providers. The consumer effect is a general increase in uncertainty: users cannot easily infer whether a service will remain available, whether updates will

continue, or whether payments will be accepted. The report therefore treats services bans as “consumer adjacent” where they predictably alter household-facing access to platforms and services.

A further consumer-facing channel is the restriction environment around cash and currency instruments, which straddles the boundary between consumption and everyday finance. The prohibition on exporting euro banknotes to Russia has been litigated and explained in EU judicial communication, with clarification that personal-use exceptions exist for travellers. While this measure is not a consumer goods ban, it directly affects how travellers and households manage spending and cash reserves for cross-border mobility and in-country consumption, especially under conditions where card acceptance and cross-border payments are constrained. The consumer-relevant point is not merely “cash is banned”, but that the regime creates behavioural and compliance frictions: individuals must understand exceptions, carriers and border authorities may apply conservative interpretations, and national authorities may adopt stricter control practices. This produces a social effect that resembles consumer restriction: limitation on the ability to carry spending power in a trusted currency, with predictable substitution toward third-country currency routes or alternative instruments. The report will treat the deeper payment-instrument mechanics in 4.2.3, but it is analytically important to note here that consumer and finance frictions often reinforce each other, producing compounded constraints.

Consumer restrictions also operate through the anti-circumvention dimension, because goods and services that remain desirable can often be routed indirectly unless enforcement is tightened. The EU’s sanctions architecture increasingly emphasises the risk of circumvention and the need for operators to apply due diligence, which tends to increase the compliance burden and reduce the set of “easy” legal pathways. For consumer goods, this often translates into a shrinkage of authorised supply chains and a growth in parallel import channels and intermediary services. The social result is a segmentation of access: those with resources and networks can procure via intermediaries; those without face higher effective prices, inferior substitutes, or outright loss of access. In sanctions-engineering terms, this is an important constraint on the equity and legitimacy of consumer restrictions, because it risks producing a system where elites adapt more effectively than ordinary households. The consumer restriction therefore tends to function as a “friction tax” rather than a strict deprivation mechanism, and the distribution of that tax is socially consequential. This distributional aspect is carried forward into 4.3, where “limits of acceptable harm” require attention to differential burden across social groups.

The EU’s narrative framing of luxury goods restrictions reveals the intended targeting logic, but it also highlights a tension: elite-targeting is conceptually attractive, yet elite consumption is also the domain most capable of circumvention. The Commission’s Q&A framing of luxury bans as elite pressure is politically coherent, but it does not guarantee that the burden remains concentrated on elites. If high-income consumers can substitute via third-country procurement while middle-income aspirational consumers lose access to premium segments and associated services, the social profile of the measure shifts from “elite targeting” toward “status and aspiration reshaping” for a wider group. The report does not treat this as automatically illegitimate, but it treats it as an effect that must be acknowledged and measured through plausible proxies such as price premia, substitution patterns, and the disappearance of authorised service ecosystems. This is also where corporate withdrawal and reputational dynamics play a large role: even absent full legal prohibition, brands and platforms may exit to avoid compliance complexity and reputational risk, thereby widening the household endpoint. The Reuters reporting on corporate behaviour in the luxury sector illustrates the persistence of such reputational and operational incentives. The policy implication is that consumer restrictions require active governance if the EU intends to preserve a “targeted, not population-wide” legitimacy narrative.

A connected theme is that consumer restrictions are uniquely prone to high salience but ambiguous strategic leverage. Luxury bans and visible brand exits are easily interpreted as “Europe closing” and can have signalling value, but signalling effects can cut in multiple directions. They can increase perceived isolation and reduce normalisation, which may support the EU’s political narrative; yet they can also intensify grievance narratives and identity hardening, especially if consumers perceive restrictions as indiscriminate. Because these political effects are difficult to measure directly, the report treats them

as second-order and contingent, consistent with the attribution discipline established in 4.1.3. The primary measurable output remains the structural change in consumer access pathways and the increase in transaction costs. Official EU regime summaries and explanatory pages provide the legal anchor for what is prohibited, but they do not by themselves quantify household-level burden. This is why the report emphasises mechanism mapping and indicator selection rather than purely declaratory statements about societal pressure. In short, consumer restrictions are best evaluated as engineered frictions that reshape markets and social symbolism, not as direct levers that produce linear political outcomes.

The implementation environment for consumer restrictions is characterised by classification and valuation problems, especially for luxury goods. Annex-based controls require exporters, customs, and intermediaries to classify goods, determine whether value thresholds apply, and assess whether goods are “for use in Russia”, including indirect export pathways. Dedicated Commission FAQs on luxury goods exist precisely because these issues generate recurring uncertainty, including questions around cultural goods derogations and personal effects, which shows how easily consumer measures can collide with legitimate social and cultural activities. For the social analysis, the practical implication is that consumer restrictions can generate compliance friction not only for sellers but also for individuals moving goods across borders or receiving gifts, especially where personal-effect exceptions and indirect-use criteria are involved. This is a micro-level source of social friction that is often missing from macro trade discussions but is important in lived experience. The report treats these micro-frictions as part of the “everyday social cost” channel and notes them as relevant for ethical robustness in 4.5. The goal is not to overstate the scale, but to map the mechanism clearly and show why guidance and proportional enforcement matter.

Consumer restrictions also interact with import bans and countersanctions in ways that complicate attribution. While EU import bans on Russian goods are primarily intended to deprive Russia of revenue and constrain strategic sectors, they can have indirect consumer feedback effects via Russian domestic supply chains and price dynamics, depending on how the Russian economy reallocates output and substitutes imports. In this report, such second-order effects are treated cautiously because attribution becomes weak: domestic policy, exchange rates, wartime spending, and global commodity conditions can dominate price and availability outcomes. However, the broader EU sanctions communication does provide aggregate scale estimates of embargoed trade flows, which can be used as context for why markets reconfigure and why consumer outcomes may shift. The disciplined approach is therefore to keep consumer restrictions anchored to explicit consumer-facing measures (luxury goods and consumer-adjacent service restrictions) and to treat wider macro effects as contextual rather than as core consumer sanctions outputs. This prevents Part 4 from becoming a diffuse economic narrative and maintains continuity with Part 3’s instrument-to-mechanism logic.

Because consumer restrictions are inherently substitution-prone, their effectiveness profile is best described in terms of price, quality, and ecosystem displacement. Price effects arise from longer supply chains, intermediary margins, and risk premiums. Quality effects arise when consumers shift to substitutes with different durability, warranty support, or prestige value. Ecosystem displacement arises when official after-sales services, software updates, and authorised distribution disappear, leaving consumers reliant on grey channels with weaker consumer protection. These are socially meaningful outcomes because they shape everyday confidence in the stability of life arrangements and the perceived accessibility of “normal” global consumer ecosystems. Yet these outcomes are also heterogeneous, varying sharply across regions, income groups, and product categories. Therefore, this report does not claim uniform deprivation; it claims a structural transformation of consumer access pathways that is consistent with the logic of sanctions as engineered constraints. This transformation is summarised by instrument type, expected social endpoint, and primary constraints in Table 4.2.2-1, and the luxury-goods sub-architecture is detailed in Table 4.2.2-2.

Table 4.2.2-2. Luxury goods export ban: scope logic and implementation features (consumer-facing)

Feature	Operational meaning	Why it matters for social effects	Key sources
Annex-based listing (Annex XVIII)	Goods are controlled by classification against a list	Determines enforceability and compliance burden	EU Sanctions Map regime PDF; Regulation 833/2014
Value thresholds (often per-item)	Many categories apply only above a value level per item	Produces borderline cases; drives valuation disputes	Commission luxury goods FAQs; regime summaries ¹
Indirect supply prohibition	“Directly or indirectly” prevents routing through intermediaries	Converts consumer access into a compliance risk problem	Regulation framework + FAQs structure ²
Derogations / exceptions (e.g., cultural goods intent)	Clarifies permitted cases and policy intent	Mitigates collateral harm; legitimacy stabiliser	Commission luxury goods FAQs ³

Authorship: analytical framework (this report) was prepared by the author

Note: The Commission’s dedicated luxury goods FAQ set is treated in this report as an implementation anchor indicating recurring borderline questions and the need for interpretative control.

^{1,3} https://finance.ec.europa.eu/publications/luxury-goods_en

² <https://eur-lex.europa.eu/eli/reg/2014/833/oj/eng>

A distinctive feature of consumer restrictions is the role of private governance by multinational firms, platforms, logistics providers, and payment intermediaries. Even where the legal framework is stable, private risk appetites can tighten or loosen access, producing rapid changes in consumer experience without new legislation. This is particularly true for digital services and platform ecosystems, where providers can rapidly adjust terms of service, geofencing, account eligibility rules, or payment acceptance. The consumer impact can be large because digital services are embedded in everyday life—communication, productivity, entertainment, and commerce—yet official datasets rarely capture these changes in a systematic way. For that reason, the report treats private governance as a structural amplifier of EU measures and as a core reason why consumer restrictions should be analysed as a two-layer system: law plus operational market response. The Commission’s consolidated FAQs provide indirect evidence of this environment because they show the breadth of questions faced by operators and citizens when translating the regime into daily practice. The policy implication is that EU authorities can influence the consumer outcome not only by changing prohibitions, but also by shaping operational certainty through guidance, clarifications, and targeted derogations, which reduce unnecessary market-wide closures.

From the standpoint of legitimacy constraints, consumer restrictions are especially vulnerable to the critique of collective effect if they are perceived as targeting the population’s lifestyle rather than decision-makers. The EU addresses this risk by framing luxury bans as elite-targeting and by presenting sanctions as targeted rather than population-wide, but the operational outcome can deviate from the narrative if substitution and over-compliance shift burdens unpredictably. The report therefore treats legitimacy as an empirical governance problem: it depends on whether exemptions’ function, whether restrictions remain proportionate, and whether protected channels (education, family, medical, and civil society) remain viable. In consumer restrictions, protected channels often appear as derogations and interpretative clarifications, such as those in the luxury goods FAQ addressing cultural goods and related exceptions. A key risk is that consumer restrictions become performative—highly visible but strategically noisy—if they mainly change brand labels and routing rather than generating meaningful pressure on enabling structures. This does not mean the measures are pointless; it means their effectiveness must be evaluated in a way that matches their mechanism: they raise costs and reduce normalisation, but they do not reliably prevent consumption for those able to circumvent.

Looking toward the 2026–2030 horizon, consumer restrictions are likely to evolve less through large categorical expansions and more through anti-circumvention tightening, definitional refinement, and enforcement coordination. The EU Council’s sanctions timeline reflects how sanctions packages have

repeatedly adjusted technical details and expanded lists and guidance over time, which is consistent with an iterative rather than one-off model. The practical implication is that consumer restrictions will remain a domain of incremental engineering: tightening definitions, refining thresholds, expanding coverage of specific goods, and improving enforcement against indirect exports. In the consumer domain, however, the constraint remains that perfect enforcement is structurally difficult in a global market with third-country hubs and high incentives for intermediary services. Therefore, the most plausible steady-state is a persistent friction premium and a continued displacement away from EU-origin consumer ecosystems, rather than absolute closure. This forward-looking logic is used later in 4.4, but it is worth stating here because it affects how consumer restrictions should be measured: stable high-friction conditions are as policy-relevant as one-off drops in availability.

In summary, consumer restrictions within EU sanctions are best understood as a targeted, socially legible subset of trade-and-services measures that reshape household consumption through legal prohibitions (most clearly luxury exports) and through market-mediated operational responses (brand exits, platform restrictions, and compliance-driven service discontinuation). The legal anchor for this sub-domain is Regulation 833/2014 and its annexes, complemented by Commission FAQs and EU regime summaries that clarify scope and exemptions. The mechanism is not uniform deprivation but systematic reconfiguration: higher costs, reduced choice, ecosystem displacement, and increased uncertainty. The effectiveness profile is therefore primarily a function of friction and symbolic normalisation rather than total volume suppression. The legitimacy constraint is the risk of diffuse social burden and the perception of collective restriction, mitigated through targeted design, workable derogations, and operational clarity. This is why the report treats consumer restrictions as a core social-sanctions channel and prepares the ground for 4.3, where social costs and ethical limits are assessed in distributional and operational terms.

4.2.3. Everyday Financial Life of Citizens

Everyday financial life is the most pervasive social-sanctions channel because it is embedded in routine behaviours: receiving income, paying for goods and services, transferring funds to family members, travelling with spending money, and maintaining access to basic banking utilities. Unlike visa mobility, which concentrates impact at recognisable gates, financial impacts diffuse through multiple layers of compliance controls, platform rules, correspondent banking decisions, and risk management policies. In legal terms, the formal EU sanctions' architecture is, targeted and sectoral, yet the household endpoint is often experienced as broad friction, uncertainty, and uneven service availability. The practical reality is that ordinary citizens encounter sanctions primarily as a question of "Can I still do this transaction?" rather than "Is this policy aimed at me?". This subsection therefore treats everyday finance as a system outcome of legal prohibitions, interpretative guidance, and market behaviour under sanctions risk. The analytical challenge is to separate what is formally prohibited from what is functionally difficult, and to explain why the latter can be socially more consequential than the former. The Commission's consolidated FAQs are an essential anchor for this analysis because they are explicitly drafted to guide authorities, operators, and citizens on implementation, indicating that friction arises not only from bans but from interpretative complexity.

At the legal core, the EU sanctions regime relevant to everyday finance combines (1) listing-based restrictions (asset freezes and prohibitions on making funds or economic resources available to designated persons) and (2) sectoral financial measures that restrict certain transactions and services. These legal instruments do not typically "ban personal finance" in the abstract, but they create constraints that banks and payment providers must internalise within screening and monitoring systems. The main household-facing consequences emerge from the operational translation of these obligations: customer due diligence, sanctions screening, transaction monitoring, and decisions about acceptable exposure to Russia-linked risk. Even where an individual is not designated, their transaction can be delayed or refused due to name similarity, documentation uncertainty, indirect beneficiary risk,

or bank-level de-risking posture. This makes the system’s lived boundary wider than the legal boundary, particularly when compliance incentives are asymmetric and penalties for mistakes are perceived as severe. The EU’s guidance infrastructure implicitly recognises this dynamic by repeatedly consolidating interpretative answers, reflecting the practical need to harmonise how regulated entities apply complex restrictions.

A useful way to structure everyday finance impacts is to distinguish three operational layers: payment rails, account access, and transaction usability. Payment rails refer to whether payment instruments are accepted or operational for cross-border and online commerce, including cards, bank transfers, and intermediary services. Account access refers to whether individuals can maintain accounts, receive inbound transfers, and perform essential operations without enhanced scrutiny that effectively functions as a barrier. Transaction usability refers to whether legally permissible transactions remain practically feasible given documentation demands, bank cut-offs, and risk-based rejections. These layers interact: a payment rail disruption pushes users toward alternatives; alternatives can raise compliance risk; heightened risk raises rejections; rejections drive further informalisation. The policy significance is that “everyday finance” is not a single instrument, but a network of practical pathways whose stability determines whether normal life remains administratively manageable. To keep the analysis audit-ready, the principal household-facing friction types and their attribution category are summarised in Table 4.2.3-1.

Table 4.2.3-1. Household-facing financial frictions under EU restrictive measures: taxonomy and attribution

Friction type (household experience)	Typical operational trigger	Attribution class (Section 4.1.3)	Primary household impact	Controllability lever (EU / supervisors)	Key documentation anchors
Transfer delays / enhanced documentation requests	Risk scoring; unclear purpose/beneficiary; indirect Russia exposure	Compliance-mediated	Time cost; uncertainty; occasional refusal	Clarifying FAQs; standardised documentation expectations	Commission consolidated FAQs
Refusal of lawful transfers (over-compliance)	Conservative interpretation; fear of breach; de-risking posture	Compliance-mediated	Loss of service access; informalisation incentives	Safe harbours; complaint/escalation mechanisms; harmonised guidance	Commission consolidated FAQs; EBA Guidelines
Account restrictions / customer offboarding	Jurisdictional de-risking; compliance cost vs revenue	Compliance-mediated	Banking exclusion; reliance on intermediaries	Supervisory calibration; governance standards to avoid blanket exclusion	EBA Guidelines and application framing
Cash carriage uncertainty for travellers	Euro banknotes export prohibition; narrow exception interpretation	Direct legal + compliance-mediated	Reduced spending flexibility; border risk; substitution to alternatives	Clear traveller guidance; consistent border practice	CJEU press release; Commission euro banknotes FAQs
Platform/service payment disruption (consumer–finance boundary)	Payment acceptance constraints; sanctions risk policies	Market-mediated + compliance-mediated	Loss of digital service continuity; higher transaction cost	Clarify scope; reduce interpretative ambiguity; targeted exceptions	Commission consolidated FAQs; broader sanctions overview

Authorship: analytical framework (this report) was prepared by the author

Note: This taxonomy distinguishes “formal prohibition” from “functional restriction”. In the everyday finance domain, the latter frequently dominates lived experience, making interpretative governance and supervisory calibration material policy levers.

The Commission’s consolidated FAQs function as an empirical proxy for where the system “binds” in practice, because they catalogue recurring uncertainties that require authoritative clarification. The

existence of a Commission webpage that publishes consolidated FAQ versions—updated over time, including a listed consolidated version dated January 2026—signals that implementation questions persist and evolve alongside the sanctions’ regime. Such documentation is not merely explanatory; it shapes how banks and operators interpret permissible conduct and therefore influences household outcomes. In a high-risk compliance environment, the baseline operational posture tends to be conservative, and guidance can either narrow or widen the set of transactions that institutions feel safe processing. This makes “interpretative governance” a genuine policy lever: when guidance clarifies that certain personal transactions are permissible under defined conditions, it can reduce unnecessary refusal and delay. Conversely, when guidance emphasises broad due diligence expectations, it may unintentionally reinforce de-risking, particularly for providers with limited compliance capacity. The report therefore treats interpretative documentation as part of the causal architecture and not as peripheral commentary.

A central feature of household-level financial friction is over-compliance, which arises when institutions adopt restrictions broader than the legal minimum. Over-compliance is rational from an institution’s perspective when the cost of a breach is high, the legal regime is complex, and the evidentiary burden to prove permissibility is difficult to operationalise at scale. It is also amplified when banks and payment providers fear secondary exposure through indirect counterparties, intermediaries, or ultimate beneficiaries. For citizens, the distinction between formal and informal prohibition becomes irrelevant because outcomes are experienced as refusal, delay, or loss of service. This is particularly acute for cross-border transfers where documentation of purpose, source of funds, and beneficiary relationships is burdensome or inconsistent across institutions. The governance problem is that over-compliance can produce diffuse social burden without necessarily improving sanctions effectiveness against intended targets, especially if sophisticated actors can route around controls while ordinary users cannot. The EU’s repeated publication and consolidation of FAQs is evidence that authorities recognise interpretative uncertainty as a systemic driver of over-compliance.

Recent EU supervisory practice also indicates that sanctions compliance is being formalised as a governance discipline within the financial sector, which has direct implications for household experience. The European Banking Authority (EBA) issued final Guidelines in November 2024 setting common EU standards for internal policies, procedures, and controls to ensure implementation of restrictive measures. These Guidelines are designed to reduce breaches and improve consistency, but they can also raise baseline compliance expectations and thus encourage more conservative operational decisions in borderline cases. Importantly, the EBA materials highlight governance arrangements and risk management systems, which suggests a shift from ad hoc screening toward more institutionalised sanctions risk frameworks. Institutionalisation tends to reduce variance in the long run, but it can increase friction in the short run if providers adopt tighter thresholds to ensure compliance. For households, this can manifest as stricter onboarding requirements, enhanced checks on Russia-linked ties, and more frequent transaction queries. The policy trade-off is therefore not “compliance vs access” in absolute terms, but “how to achieve compliance while preserving workable channels for lawful personal activity”.

A particularly illustrative household-facing measure is the EU prohibition on exporting banknotes denominated in euro (or other Member State currencies) to Russia, combined with a narrow personal-use exception. The Court of Justice has confirmed that the prohibition aims to limit Russia’s access to cash in such currencies in order to increase the cost of Russia’s actions, while noting that the prohibition does not apply to sums necessary for the personal use of travellers or their immediate families travelling with them. The Commission has also published specific FAQs on euro banknotes that interpret the personal-use exception narrowly, including reference to the Court’s preliminary ruling and the distinction between personal needs and professional, commercial, or investment purposes. For everyday life, the social effect is not only legal restriction but also behavioural uncertainty: travellers may be unsure what is permitted, and authorities may apply conservative interpretations. The system output is increased friction for travel-related spending and a shift toward alternative instruments or third-

country currency strategies, which are not evenly accessible across social strata. This case also illustrates the broader theme that household measures often function through “micro-gates” at borders and within compliance controls, where discretion and interpretation determine lived outcomes.

Everyday finance frictions also interact with consumer restrictions described in 4.2.2, particularly where access to goods and services is limited by payment acceptance and settlement capabilities. The consumer typology in Table 4.2.2-1 includes cash and currency constraints as a consumer-adjacent channel because spending capacity is a prerequisite for consumption, especially for travel and cross-border purchases. In practice, when card acceptance is constrained or when cross-border transfers are delayed, consumer markets adapt by increasing reliance on intermediaries, alternative payment rails, and grey-market settlement mechanisms. This expands the role of informal brokers and raises the household cost of compliance because individuals must navigate less transparent pathways. It also creates consumer protection risks: households lose the safeguards associated with regulated payment systems and may face fraud, excessive fees, or arbitrary service denial. The policy implication is that financial sanctions governance cannot be assessed purely in legal terms; it must be evaluated as an ecosystem that shapes market structures and household vulnerability. This is why Part 4 treats consumer and finance restrictions as mutually reinforcing, even when they are analysed in separate subsections.

From an indicator standpoint, everyday finance is harder to measure than visa mobility because many of the most important outcomes—refusal rates, delays, and de-risking—are not systematically published in comparable public datasets. The report therefore relies on a mixed measurement strategy: legal anchors and guidance for mechanism identification, supplemented by whichever official artefacts exist for specific issues. Commission FAQs serve as an “implementation intensity” proxy: the breadth of recurring questions reflects where frictions persist and where legal clarity is most demanded by operators and citizens. Supervisory documents such as the EBA Guidelines serve as a “governance posture” proxy: they indicate how compliance expectations are being standardised and when stricter internal controls are likely to become universal. Case-law and court communications serve as a “boundary clarification” proxy: they define how narrow or broad exceptions are interpreted, as in the euro banknotes example. This multi-source triangulation is consistent with Paragraph 4.1.3 and is necessary to avoid overclaiming based on anecdote.

The household experience of financial restrictions is also shaped by heterogeneity across providers, which can be as consequential as the formal rules. Different banks and payment providers vary in their screening sensitivity, documentation demands, and willingness to process Russia-linked transactions. Some institutions treat any Russia-linked exposure as high-risk and therefore prefer refusal to investigation, particularly when transaction values are small and compliance costs are not economically justified. Other institutions maintain more nuanced risk scoring and are willing to process transactions when documentation is strong and counterparties are clearly non-listed. For citizens, this variance creates “provider shopping” behaviour, which can itself be socially costly and can push users toward providers in jurisdictions perceived as more permissive. Variance also undermines perceived fairness, because similar cases can lead to different outcomes without transparent explanation. The policy question is whether EU-level guidance and supervisory convergence can reduce arbitrary variance without reducing enforcement strength against prohibited activity. The existence of EU-level consolidated FAQs and EBA-level common standards suggests that convergence is an institutional objective, but the speed and uniformity of that convergence remain uncertain.

A recurrent sanctions-engineering insight is that tightening controls can unintentionally incentivise informalisation, which reduces transparency and controllability. When lawful personal transfers become difficult through mainstream channels, individuals may turn to intermediaries, cash carriage strategies, or third-country settlement arrangements. Such adaptation does not necessarily violate the letter of sanctions law, but it can increase exposure to financial crime and reduce the ability of regulators to distinguish lawful personal activity from prohibited circumvention. This is a structural constraint: high friction in the compliant channel tends to expand the non-compliant or semi-compliant perimeter. For

policy evaluation, this matters because a system that pushes activity into opaque pathways may weaken sanctions objectives by reducing observability and increasing the capacity for illicit networks. It also raises ethical concerns because the burden of navigating informal pathways falls disproportionately on those with weaker institutional access and lower financial literacy. Consequently, the report treats the maintenance of usable lawful pathways as a legitimacy stabiliser, not as a concession to sanctioned actors. This logic is formalised in Table 4.2.3-2, which maps governance instruments (guidance, safe harbours, derogations) to household-relevant outcomes.

Table 4.2.3-2. Governance instruments that shape household-level outcomes in everyday finance

Governance instrument	What it does operationally	Expected effect on household frictions	Risk if poorly calibrated	Principal EU/supervisory anchor
Consolidated implementation FAQs (Commission)	Harmonises interpretation; reduces ambiguity for operators and citizens	Lower unnecessary refusals; clearer permissible pathways	If too complex, may reinforce conservative posture	Commission consolidated FAQs and publishing hub
Supervisory standards for sanctions governance (EBA)	Standardises internal controls and governance arrangements across institutions	Potentially reduces arbitrary variance; improves compliance quality	Can harden de-risking if interpreted as maximum caution	EBA Final Report and Guidelines page
Thematic FAQs on specific issues (e.g., euro banknotes; “best efforts”)	Clarifies boundary conditions and exceptions	Reduces traveller uncertainty; improves legal certainty in niches	Narrow interpretation may raise welfare costs in sensitive cases	Commission euro banknotes FAQ; “best efforts” FAQ page
Case-law boundary clarification (CJEU)	Defines legally binding interpretation of scope/exceptions	Increases predictability, but may narrow exceptions	High-salience legitimacy risk if outcomes appear harsh	CJEU press release on banknotes prohibition

Authorship: analytical framework (this report) was prepared by the author

Note: These instruments operate on the “operational layer” of sanctions. In household finance, their calibration can alter real-world restrictiveness without changing the formal text of prohibitions.

The EU’s approach to sanctions implementation also includes thematic guidance on obligations such as “best efforts”, which can shape how firms and institutions interpret their responsibilities. The Commission has published an FAQ page on the “best efforts” obligation linked to Article 8a of Regulation 833/2014, indicating that the EU expects operators to adopt proactive compliance behaviours rather than merely avoid direct violations. While such obligations are understandable from an enforcement perspective, they can widen operational conservatism when operators apply “best efforts” as a justification for broad refusal. For households, this can translate into a general tightening of service acceptance for Russia-linked activity, even where personal transactions may be lawful. The policy design challenge is therefore to align proactive compliance obligations with clear boundaries and practical guidance that prevent indiscriminate de-risking. This is especially important in retail payments and small-value transfers, where the social cost of blanket refusal can be high relative to the marginal enforcement benefit. In sanctions engineering terms, “best efforts” increases the sensitivity of the system but can also increase noise, making calibration and clarity essential. This is precisely why consolidated FAQs and supervisory standards must be interpreted as interacting instruments rather than as separate documents.

A further household-facing dimension is the treatment of humanitarian, medical, educational, and family-related transactions, where social welfare stakes are high and legitimacy constraints are tight. The euro banknotes jurisprudence demonstrates that even ostensibly humanitarian motivations can collide with narrow exception interpretation, producing high-salience cases that shape public

perceptions of sanctions fairness. The EU's broader sanctions policy communications often emphasise that sanctions are targeted and designed not to hinder essential goods, yet operational realities can still produce barriers when exceptions are narrow or hard to access. In the financial domain, "protected channels" require more than declaratory exemptions: they require workable documentation standards, predictable bank processing, and guidance that allows institutions to distinguish protected personal activity from prohibited circumvention. Without such operational infrastructure, exemptions may exist on paper but fail in practice, leaving households with de facto constraints. This is why Part 4 treats ethical robustness as operational, and why 4.5 will propose mechanism-level designs (standardised exemption workflows, complaint mechanisms, and safe harbour guidance) rather than abstract normative statements. The everyday finance subsection therefore sets the factual and governance groundwork for those later proposals.

The legitimacy issue is sharpened by the EU's public narrative that sanctions do not target populations, because everyday finance is the channel where population-wide experiences can arise through diffuse operational effects. If non-designated individuals frequently experience refusal without clear reason, the system can appear collectively restrictive regardless of formal intent. That perception can undermine both external credibility and internal cohesion, particularly if member states perceive uneven burdens or if courts scrutinise proportionality where personal and family rights are implicated. The governance response is not necessarily to weaken sanctions, but to increase operational precision: better clarity on permissible transactions, harmonised documentation requirements, and mechanisms to contest erroneous refusals. In this respect, the move toward EU-level supervisory standards, as signalled by the EBA Guidelines, can support legitimacy if it reduces arbitrary variance. However, convergence can also harden baseline conservatism if standards are interpreted as requiring maximum caution rather than calibrated risk management. The key is therefore to integrate supervisory governance with Commission interpretative guidance so that enforcement strength is preserved while lawful personal finance remains feasible. The report treats this integration as a core controllability challenge for 2026–2030.

Everyday financial life is also sensitive to time dynamics, because institutions adjust their controls as sanctions packages evolve and as enforcement expectations rise. Early shock periods are often characterised by broad precautionary restrictions, after which institutions gradually stabilise permissible pathways as guidance accumulates and risk models mature. The publication of consolidated FAQs over time, including a consolidated version listed in January 2026, illustrates that the EU anticipates ongoing refinement rather than one-off clarification. This implies that household experience can improve in some dimensions (clearer rules, fewer unnecessary refusals) while tightening in others (more checks, narrower exceptions) as the regime becomes more technically sophisticated. For evaluation, this means that one cannot infer long-run steady-state from early months; the system learns and adjusts. It also means that policy choices about guidance and safe harbours have compounding effects: early clarity can prevent the entrenchment of over-compliance norms that become hard to reverse. In the 2026–2030 horizon, the most plausible dynamic is further institutionalisation of sanctions compliance in retail finance, paired with more structured exceptions and pathways for protected personal needs. Whether this pairing occurs determines both social costs and legitimacy sustainability.

From a strategic-effectiveness standpoint, everyday finance measures influence Russia-related economic activity through friction and control rather than through dramatic "cut-offs" for ordinary individuals. The EU's primary financial sanctions intent is to constrain state and strategic sector capacity, but household-level frictions emerge because compliance systems cannot perfectly separate strategic and personal activity at scale. This creates an effectiveness-ethics trade-off: some friction is likely an unavoidable by-product of enforcement, but excessive friction may impose civilian costs with limited marginal leverage on decision-makers. The sanctions-engineering question is therefore one of calibration: how to maximise the discriminatory power of compliance systems so that prohibited and high-risk activity is blocked while lawful personal activity can proceed. Calibration depends on data quality, clear definitions, and supervisory incentives, all of which are policy variables rather than fixed

constraints. The Commission’s guidance and the EBA’s standards are therefore not merely support documents; they are instruments that shape the system’s discriminative capacity. In practical terms, better calibration reduces reputational and legal risk for institutions, which can reduce the incentive for blanket refusal and thus lower social cost. This aligns effectiveness and legitimacy, making calibration a central theme for the forward-looking parts of Part 4.

The distributional profile of financial frictions is also critical, because household vulnerability varies sharply. Individuals with transnational family ties, students abroad, migrants, and those requiring cross-border medical support have higher dependence on reliable transfer and payment channels. When those channels are uncertain, welfare losses are high even if transaction values are small. Conversely, high-income individuals may have access to multiple banks, intermediaries, and alternative settlement arrangements, which makes them more resilient to friction. This distributional asymmetry can create a legitimacy vulnerability: a system that is intended to pressure elites may inadvertently burden those with the least capacity to adapt. It can also produce perverse strategic outcomes if elite adaptation remains robust while vulnerable groups experience disproportionate hardship. For this reason, Part 4 later treats ethical robustness as requiring protected channels with measurable service performance, not merely nominal exemptions. The everyday finance subsection establishes that distributional effects are not incidental; they are structural in a system where access depends on compliance capacity and social networks. This justifies why the report frames “acceptability limits” in 4.3 through both rights-based and distributional lenses.

In summary, everyday financial life is a core social-sanctions domain because it transforms legal restrictions and compliance obligations into routine frictions affecting payments, transfers, cash carriage, and access to services. The EU’s consolidated FAQs and thematic guidance provide the clearest windows into operational complexity and recurrent friction points, while supervisory standards such as the EBA Guidelines indicate the direction of institutionalised compliance over 2026–2030. The euro banknotes prohibition and its narrowly interpreted personal-use exception illustrate how even seemingly limited measures can become household-salient through border controls and conservative interpretation. The principal effect is not uniform deprivation but a persistent “friction and uncertainty premium” that is unevenly distributed and that interacts with consumer restrictions (see Table 4.2.2-1) to reshape everyday access to goods and services. The main constraint is legitimacy: uncontrolled over-compliance can create de facto population-wide burdens that conflict with the EU’s targeted-sanctions narrative. The engineering task is therefore calibration and governance: maintain enforcement against prohibited activity while preserving workable pathways for lawful personal needs. This subsection provides the mechanism map and governance anchors needed for the next step, 4.3, where social costs and acceptability thresholds are assessed systematically.

4.3. Social Costs and the Limits of Sanction Acceptability

4.3.1. Distributional Impacts and Vulnerability Mapping

Social costs are rarely distributed evenly, and that unevenness is the central reason why “acceptability” cannot be evaluated using aggregate indicators alone. In the EU–Russia sanctions environment, the same instrument can impose minor inconvenience on one group while creating a high-welfare loss for another, even when the formal legal scope is identical. Distributional analysis therefore focuses on *who bears time costs, uncertainty costs, and access losses*, rather than on whether a measure exists in law. This is consistent with the two-layer causal model set out earlier: legal constraints are filtered through operational practice, and operational practice interacts with social position, resources, and networks. In other words, the social burden is jointly produced by the sanctions design and by the unequal capacity of citizens to navigate compliance, substitution, and routing. When distributional asymmetry is high,

legitimacy risks rise even if the overall macroeconomic impact is modest. EU institutions emphasise that restrictive measures are targeted and are not aimed at a population, which implicitly sets a high bar for controlling collateral burdens in socially sensitive domains.

A practical vulnerability mapping starts by distinguishing *exposure* from *adaptive capacity*. Exposure is the degree to which a person's daily life depends on cross-border mobility, cross-border payments, and access to external consumer and service ecosystems. Adaptive capacity is the ability to substitute routes (third-country travel hubs), instruments (alternative payment rails), suppliers (non-EU brands), and administrative support (intermediaries, legal advice) at reasonable cost. Exposure and adaptive capacity are often inversely correlated: those who most need cross-border functionality—students, mixed families, diaspora caregivers, patients requiring treatment—can be least able to absorb increased friction. This is precisely why distributional analysis is not optional: it is the only way to assess whether social costs remain within defensible bounds while preserving legitimate security objectives. Visa mobility changes, for example, may be tolerable for discretionary tourism but severe for caregiving and family reunification, even when the administrative rule is the same. The Commission's visa-policy reporting underscores that aggregate refusal rates and issuance volumes must be interpreted carefully, because they cannot reveal who is being filtered out.

Three broad “burden types” dominate the distributional profile of social sanctions: transaction costs, uncertainty costs, and exclusion costs. Transaction costs include fees, intermediary charges, and additional travel and documentation expenses created by higher friction pathways. Uncertainty costs are borne when outcomes become less predictable, forcing households to invest time and money without assurance of success (appointments, repeated applications, repeated scrutiny). Exclusion costs arise when lawful pathways collapse in practice due to over-compliance, de-risking, or service discontinuation, pushing people out of regulated channels. These costs do not scale linearly with income; uncertainty and exclusion are often more damaging to vulnerable groups because they disrupt essential routines and obligations. Where social costs are primarily frictional rather than prohibitive, distributional harm can still be large because repeated small frictions accumulate into significant welfare loss. The EU's continued publication of consolidated sanctions FAQs and governance guidance illustrates the systemic nature of implementation frictions that generate such costs.

Visa mobility provides a clear illustration of distributional asymmetry because it transforms repeat travel from routine to exceptional for many categories of persons. The suspension of visa facilitation and subsequent tightening of issuance practice shifts costs into documentation, processing time, and lowered predictability of multi-entry access. A blanket change in multi-entry availability (reported in late 2025) is especially distributionally salient: it affects those whose family, care, or professional life depends on repeated travel much more than those making a single discretionary trip. High-resource travellers can often absorb repeated application costs and navigate consulate processes via intermediaries, while low-resource travellers face a compounding barrier. The result is not only fewer trips, but a stratification of who can sustain transnational ties under a high-friction regime. Public reporting on the EU tightening of multi-entry visas also highlights that exceptions exist for certain “trusted” categories, yet the real distributional question is whether such exceptions are operationally accessible and not merely declaratory.

Everyday financial life tends to produce even sharper distributional patterns because banking and payment frictions are mediated by providers' risk policies and by individuals' documentation capacity. Over-compliance and de-risking do not hit everyone equally: those with transparent income sources, stable residency status, and strong banking relationships can often provide documentation that satisfies compliance teams. By contrast, migrants, students, and informal-sector earners may be unable to produce the documentation demanded for lawful transfers, even when the transaction purpose is legitimate. This converts a compliance decision into a social welfare event: households lose the ability to support relatives, pay cross-border expenses, or maintain basic financial continuity. The EBA's 2024 Guidelines are designed to standardise governance and controls for restrictive measures, which can reduce arbitrary variance over time, but they can also raise baseline documentation expectations in the

short run. Where documentation thresholds rise, distributional harm tends to concentrate in groups with weaker administrative capacity.

Consumer restrictions similarly produce stratified outcomes, but through substitution and ecosystem displacement rather than through formal prohibition alone. Where EU-origin authorised channels disappear—whether due to export bans, corporate withdrawals, or service discontinuation—high-resource consumers can often substitute via third-country procurement and intermediaries. Lower-resource consumers may be locked into inferior substitutes, higher relative prices, and loss of after-sales services that protect consumer welfare. The resulting social harm is not just “loss of luxury”; it includes reduced reliability of goods, weaker consumer protection, and higher fraud exposure as transactions move into grey channels. Because substitution pathways are uneven, consumer restrictions can inadvertently shift burdens away from the intended elite-target group toward middle-income aspirational consumers and vulnerable households reliant on stable supply and service ecosystems. This is an important acceptability constraint: a measure justified as elite pressure becomes ethically and politically fragile if elites circumvent cheaply while non-elites face disproportionate friction. EU explanatory materials explicitly frame luxury bans as elite-targeting, making the distributional integrity of the measure a core test of legitimacy.

A rigorous vulnerability mapping also requires identifying “protected interest” categories that EU policy generally tries to shield through derogations and practical guidance. Humanitarian derogations, and the Commission’s humanitarian guidance note, illustrate a governance principle that is transferable to social sanctions: when essential interests are at stake, regimes need workable exceptions and pathways rather than nominal carve-outs that fail operationally. In the social domain, essential interests commonly include family life, education, health, and civil society participation. The acceptability question is not whether every hardship can be eliminated, but whether the system provides predictable routes for these high-salience needs and prevents discretionary over-compliance from turning lawful activity into de facto prohibition. Where such routes fail, social costs become both ethically problematic and strategically counterproductive, because they harm groups that are not responsible for the targeted conduct. The distributional perspective thus converts abstract rights concerns into operational design requirements.

A further dimension is geographic and jurisdictional variation: different member states and providers implement rules with varying intensity and administrative capacity. This variance interacts with vulnerability by creating “route shopping” opportunities for those who can travel or relocate applications, and barriers for those who cannot. If access depends on knowing which consulate is faster, which bank is less conservative, or which third-country hub is workable, then information and network capital become welfare determinants. Such a system tends to privilege transnationally connected and wealthier groups, potentially undermining both fairness and strategic targeting. From the standpoint of acceptability limits, a regime that shifts burdens onto the least mobile and least connected is structurally exposed to legitimacy critique. The existence of EU-level guidance instruments (consolidated FAQs, Commission communications, supervisory standards) is partly an attempt to reduce such variance, but their effectiveness is an empirical question that requires monitoring.

High-salience edge cases reveal distributional harm even when aggregate indicators appear stable. The euro banknotes export prohibition and its narrow personal-use exception, clarified through Court communication and Commission FAQs, demonstrates how a legally defined measure can create severe friction for individuals in sensitive circumstances when interpretation is strict. Even if most travellers can adjust, those with urgent medical or family needs may face immediate welfare loss if they cannot access familiar payment instruments and must navigate ambiguous compliance boundaries. These cases also shape public perception of sanctions fairness, which is itself a component of acceptability. Distributional mapping therefore treats such edge cases not as anomalies to be dismissed, but as stress tests that reveal whether the system protects high-priority needs. If the system fails under stress, legitimacy costs accumulate and can constrain the durability of the broader regime.

The question of political voice also matters for distributional impacts: groups that bear high costs may have limited ability to influence policy, particularly non-citizens, diaspora communities, and cross-border families. A sanctions regime can therefore generate “silent burdens” that are not fully represented in policy debate. This is a classic acceptability problem: absence of visible protest is not evidence of low harm, especially when affected groups lack institutional access. The report’s methodology therefore treats vulnerability mapping as a corrective to policy blind spots, ensuring that later judgements about acceptability incorporate those less visible burdens. This also improves strategic coherence, because sanctions that harm low-agency groups may not generate commensurate leverage on decision-makers. Targeted design, by contrast, seeks to impose costs on actors with higher causal proximity to the targeted conduct and higher capacity to influence it.

Distributional mapping is also necessary to prevent conceptual slippage between “pressure” and “harm.” Policy can generate harm without generating effective pressure, particularly when harm is borne by those who cannot influence the targeted behaviour. Social sanctions risk this slippage because they operate close to everyday life, where small institutional changes can create large welfare effects. A sound acceptability framework therefore requires that harm be assessed in relation to plausible strategic leverage and to the EU’s stated narrative that measures are targeted rather than population-directed. Where leverage is speculative and harm is concentrated on vulnerable groups, the acceptability threshold tightens. This is the conceptual bridge from vulnerability mapping (4.3.1) to the rights and proportionality thresholds discussed later in 4.3.2.

From an operational perspective, the distributional profile can be represented as a set of high-risk population segments, each linked to a dominant friction mechanism. Students and researchers are highly exposed to mobility constraints, documentation burdens, and payment frictions related to tuition and living expenses. Mixed families and caregivers are exposed to repeated travel needs, unpredictable issuance outcomes, and financial transfer uncertainty. Patients and medical travellers face high welfare loss from delays and payment limitations because the time sensitivity is extreme and alternatives can be unsafe. Small entrepreneurs and freelancers engaged in cross-border micro-trade face compounded burdens from banking de-risking and service discontinuation. Civil society actors and independent journalists can be uniquely harmed by mobility tightening, particularly if exceptions are narrow or if the process of claiming an exception creates additional personal risk.

To keep the analysis audit-ready and comparable across subsections, the principal vulnerable groups, channels, and mitigation levers are summarised in Table 4.3.1-1.

Table 4.3.1-1. Vulnerability mapping of social-sanctions burdens (EU–Russia context)

Population segment / situation	Primary exposure channel	Dominant burden type	Typical transmission mechanism	Indicative mitigation lever	Key EU governance anchors
Students & researchers (study, exchange, conferences)	Visa mobility + payments	Uncertainty + transaction costs	Repeated applications; documentation burdens; banking checks	Protected pathways; prioritised processing; clear documentary standards	Commission visa policy reporting; consolidated sanctions FAQs
Mixed families, caregivers, close relatives	Visa mobility + transfers	Uncertainty + exclusion risk	Multi-entry restrictions; variable consular outcomes; transfer delays/refusals	Family-life carve-outs; operationally accessible exemptions	Commission guidance logic; humanitarian derogations principles
Patients and medical travellers	Mobility + spending instruments	Exclusion + time-critical uncertainty	Appointment scarcity; payment instrument friction; strict exception interpretation	Medical prioritisation; clear traveller guidance; safe channels	Humanitarian guidance note; Court/Commission clarifications on cash exceptions

Population segment / situation	Primary exposure channel	Dominant burden type	Typical transmission mechanism	Indicative mitigation lever	Key EU governance anchors
Diaspora communities (supporting relatives)	Everyday finance	Transaction + uncertainty costs	De-risking; enhanced due diligence; documentation barriers	Calibrated compliance guidance; complaint/escalation routes	Commission consolidated FAQs; EBA sanctions governance standards
Small entrepreneurs / freelancers (micro cross-border activity)	Payments + services access	Transaction + exclusion costs	Provider refusals; platform withdrawal; compliance overhead	Safe harbours for low-risk lawful activity; clearer guidance	Commission FAQs; EBA governance convergence
Civil society actors / independent journalists	Mobility + service continuity	High welfare loss per event	Narrow exception pathways; safety risks in self-identification	Structured exception workflows; confidentiality safeguards	EU-level policy framing and protected-category logic in public communications ¹

Authorship: analytical framework (this report) was prepared by the author

Note: This mapping is mechanism-based and does not imply uniform harm across all individuals in a segment. It is used to structure acceptability analysis by identifying high-exposure contexts where operational precision and usable safeguards are most critical.

Sources:

- European Commission (Schengen visa statistics updates): https://home-affairs.ec.europa.eu/news/visa-applications-reach-117-million-eu-and-schengen-associated-countries-2025-05-20_en
- European Commission / DG FISMA (sanctions FAQs, humanitarian guidance): https://commission.europa.eu/system/files/2022-06/220630-humanitarian-aid-guidance-note_en.pdf
- EBA Guidelines page: <https://www.fma.gv.at/en/eu/eba-guidelines/>
- AP report on EU multi-entry tightening and exception categories (context for protected groups): <https://apnews.com/article/europe-schengen-visas-russia-multiple-entry-dc830d5f208539d91a5e18948280a5a9>

This table is not a normative claim that every member of a group is harmed. It is a structured mapping of high-exposure contexts and plausible transmission mechanisms. It also functions as the bridge to the acceptability discussion: once vulnerabilities are explicit, policy can be evaluated for whether it contains workable safeguards and whether those safeguards are operationally accessible. The table is also consistent with the report's attribution discipline: it separates direct legal constraints (visa rules, border practices) from compliance-mediated and market-mediated effects (bank de-risking, platform exits). Finally, it prepares the ground for Section 4.5 by identifying which safeguards are best delivered through exemptions, which through guidance and safe harbours, and which through monitoring and complaint mechanisms.

Consumer restrictions deserve special caution in vulnerability mapping because they can be misread as trivial when framed as “luxury”. In practice, the vulnerability channel is often not the absence of luxury per se, but the growth of informal supply chains and the loss of formal consumer protection. Informal supply chains amplify fraud risk and reduce warranty and service support, which can disproportionately affect households that cannot absorb losses or replace defective goods. The distributional harm can also be indirect: when authorised service networks collapse, repair costs rise and product lifetimes fall, which functions as a regressive tax on household budgets. This makes consumer restrictions relevant to acceptability limits even when the formal instrument is elite-focused. A policy that generates high informalisation is also harder to control, which can undermine enforcement objectives and create broader governance externalities. The report therefore treats informalisation as both a welfare risk and a sanctions-engineering failure mode.

Visa mobility measures also have a “shadow distributional” effect through administrative capacity and queueing. When appointment scarcity becomes a binding constraint, time becomes a rationing device,

favouring those who can wait, travel to alternative consulates, or pay intermediaries. This creates a de facto market for access, which shifts burdens onto those with less time flexibility and fewer resources. These mechanisms are often absent from formal policy analysis but are central to lived experience, and therefore to acceptability. Because such mechanisms are operational rather than legal, they can potentially be mitigated without altering the sanctions’ strategic core: clearer process standards, prioritisation for protected categories, and transparent documentation requirements can reduce welfare loss while maintaining security scrutiny. In this sense, distributional mapping also identifies *low-cost governance improvements* that improve ethical robustness without weakening enforcement.

Everyday finance produces similar queueing and rationing effects, but through compliance processing rather than appointment slots. When banks treat certain transactions as high-risk, processing time expands and documentation demands rise, effectively rationing service by administrative burden. Those with stable employment documentation and higher literacy can pass; those without are excluded or pushed to intermediaries. This is why supervisory governance is directly relevant to social acceptability: standards that improve discriminatory power and reduce false positives lower distributional harm. The EBA’s standard-setting is therefore not just a technical compliance development; it is a potential lever for improving fairness, provided it is calibrated to avoid indiscriminate de-risking.

A final, often overlooked distributional dimension is the signalling environment and its interaction with stigma and discrimination. Social sanctions can generate reputational cues that lead private actors to treat Russian nationals or Russia-linked persons as uniformly high-risk, even where law permits service provision. This can produce discrimination-like outcomes in employment, housing, education services, and platform access, which are difficult to measure but socially corrosive. Acceptability limits are therefore not only about formal prohibitions; they also concern whether a regime predictably generates social stigma that is misaligned with targeted intent. This is a governance challenge: where stigma results from ambiguity, clearer guidance and public communication can reduce it; where it results from genuine security concerns, mitigation may require more precise targeting and more structured exceptions. The EU’s emphasis on targeted sanctions is relevant here, because a targeted narrative loses credibility if lived experience resembles categorical exclusion.

Overall, vulnerability mapping indicates that the most ethically and politically sensitive social costs arise where sanctions systems interact with high-need life domains—family, health, education—and where operational controls generate exclusion beyond legal requirements. The distributional picture is not an argument against sanctions; it is a constraint that defines how sanctions must be engineered to remain legitimate and sustainable. This is why Part 4 treats acceptability as an operationally testable property: measures should be evaluated not only by strategic outputs but by who bears burdens and whether protected pathways function in practice.

4.3.2. Humanitarian and Fundamental-Rights Thresholds

Acceptability limits in the social domain are not a matter of taste; they are structured by the EU’s constitutional and legal environment, where restrictive measures must remain compatible with fundamental rights, proportionality, legal certainty, and effective judicial protection. In this sense, “ethical sustainability” is partly a legal design constraint: when sanctions instruments begin to resemble population-wide disabilities, they face stronger legitimacy headwinds and higher litigation vulnerability. The EU’s public narrative also sets a constraint in political terms: sanctions are repeatedly presented as *targeted* measures that do not aim at a country or population, which means that the burden of proof on proportionality and safeguards rises when household-level impacts become salient. The social sphere is where this tension becomes most visible, because the endpoints—family life, education, health, and basic financial functioning—are high-welfare domains in which even moderate friction can produce disproportionate harm. The purpose of this subsection is to define the practical “red lines” and threshold tests that should discipline the design, implementation, and evaluation of social sanctions. These thresholds are not interpreted as absolute bans on any civilian-facing costs; rather, they define

conditions under which costs are presumptively unacceptable unless mitigated by workable exceptions and clear operational pathways.

A central distinction is between *intentional deprivation* and *foreseeable collateral restriction*. EU restrictive measures often aim at strategic pressure and deterrence, not at harming civilians as such, yet in a highly intermediated economy the household endpoint can be a foreseeable result of compliance systems. Acceptability therefore depends on whether the regime incorporates mechanisms to prevent collateral restriction from becoming de facto collective punishment. This is why the report treats humanitarian and fundamental-rights thresholds as operational constraints, not merely as normative claims. It is not sufficient that derogations exist in law; the pathway must be practically usable, reasonably predictable, and not dependent on exceptional discretion. The Commission’s long-standing practice of issuing guidance and tools for sanctions implementation—particularly in the humanitarian space—signals that the EU recognises this problem as structural. In Part 4, the same governance logic is applied to social safeguards: where high-salience interests are at stake, “protected channels” must be designed with measurable accessibility and clear documentation standards.

The legal backbone of acceptability thresholds is the EU’s commitment to effective judicial protection and due process when restrictive measures affect individuals. Even though sanctions are foreign-policy instruments, EU courts have consistently insisted that the rule of law applies, including requirements around reasoning, rights of defence, and judicial review. The Kadi line of case-law is often treated as emblematic of this constitutional framing: restrictive measures may pursue security objectives, yet must remain subject to judicial scrutiny and fundamental rights constraints. For social sanctions analysis, the practical consequence is that the closer a measure comes to individualised deprivation—mobility denial, financial exclusion, barriers to health-related needs—the more important procedural safeguards become. If a person experiences denial without intelligible reasoning or remedy, the operational system begins to look arbitrary even if the legal system is targeted. Acceptability is therefore linked to procedural architecture: transparent criteria, review mechanisms, and channels for correction of error. This is one reason why over-compliance is treated as an acceptability problem. It can generate de facto deprivation without the procedural guarantees that accompany formal restrictive acts.

Proportionality is the second core threshold, and it has a specific meaning in this context: measures must be suitable to achieve legitimate objectives, necessary in the sense that less intrusive means are not equally effective, and not excessive in relation to the pursued aim. In sanctions practice, judicial review of proportionality can be deferential due to foreign policy discretion, yet the intensity of scrutiny can vary depending on the rights affected and the nature of the interference. In social sanctions, where impacts can touch family life, education access, and health needs, proportionality scrutiny becomes substantively more relevant to policy durability. The acceptability limit therefore requires that household-facing restrictions be justified by a clear and plausible strategic mechanism, not merely by symbolic appeal. If a measure mainly produces friction for ordinary citizens while offering limited marginal leverage on decision-makers, the proportionality balance weakens. This logic motivates the report’s preference for precise targeting, calibrated exceptions, and operational clarity rather than broad categorical restrictions.

Humanitarian thresholds function as a particularly strong constraint because they are tied to essential needs and international humanitarian principles. The Commission’s 2022 guidance note on providing humanitarian aid in compliance with EU restrictive measures, together with the humanitarian derogations’ factsheet, shows how the EU translates humanitarian constraints into procedural guidance and member-state practices. Although these documents are drafted for humanitarian operators, they illustrate an institutional principle that is directly transferable to the social sphere: when essential needs are at stake, regimes should include derogations and implementation pathways that prevent sanctions from blocking life-sustaining activity. In social sanctions, the functional equivalents of humanitarian space include urgent medical travel and treatment-related payments, family reunification in acute circumstances, and essential educational transitions. The acceptability threshold is therefore not “no harm”, but “no predictable obstruction of essential needs without a workable exception pathway”.

Where exceptions exist, they must be operationally accessible; otherwise, the system fails the humanitarian threshold in practice even if it passes in text.

A high-salience illustration of how narrow exception interpretation can stress acceptability is provided by the EU prohibition on exporting euro banknotes to Russia. The Court confirmed that the prohibition applies even when cash is intended to pay for medical treatment in Russia, while also noting the existence of a personal-use exception limited to sums necessary for travellers' personal use. This episode is analytically important because it shows the gap that can emerge between moral intuition ("medical purpose") and legal boundary ("personal use" interpreted narrowly). For social acceptability, the key point is not to dispute the Court's reasoning; it is to recognise that strict boundary interpretation can produce high-welfare-loss outcomes and reputational controversy, thereby increasing legitimacy costs. It also demonstrates why protected channels must be explicit and carefully designed: if the only relevant carve-out is "personal use" and that carve-out is narrow, then high-salience needs may fall outside the exception space even when public intuition expects otherwise. The report treats this as a stress test that informs later policy proposals on clearer humanitarian-adjacent pathways and communication to prevent misunderstanding and avoidable harm.

The acceptability framework must also address discrimination risks and equal treatment in operational practice. Even when sanctions are not formally based on nationality, social spillovers can generate nationality-proxy exclusion through de-risking and platform rules. In financial services and digital ecosystems, private actors may adopt broad risk heuristics that treat Russia-linked indicators as sufficient grounds for denial. This can create discrimination-like outcomes: identical transactions may be processed for one customer and refused for another on the basis of perceived jurisdictional risk. Such outcomes are difficult to measure systematically, but they matter for acceptability because they undermine the EU's targeted narrative and can affect legally protected interests without transparent legal basis. The remedy is governance: clearer guidance, safe operational pathways, and complaint/escalation mechanisms that allow correction of false positives. In the EU's broader sanctions governance architecture, interpretative tools and guidance updates exist precisely to reduce divergence and uncertainty. Part 4 extends that logic to social safeguards: the system must be able to correct operational bias if it wishes to remain legitimate over time.

Family life and private life are another threshold category because mobility and financial constraints can directly disrupt fundamental life arrangements. Visa policy tightening, reduced multi-entry predictability, and variable consular practice can fragment cross-border families even without a formal "family ban". The acceptability limit here is not that cross-border travel must remain frictionless; it is that the system must not create a de facto impossibility for close-family contact where legal pathways are formally preserved. This implies that family-related categories should have clear processing routes and not be forced into the same high-friction queue as discretionary travel. The Commission's broader practice of producing guidance and structured information resources illustrates the institutional capacity to engineer such prioritisation when it is treated as a governance priority. For the report's forward-looking analysis, the implication is that "protected categories" must be operationalised through standards (documentation, timelines, escalation channels) rather than merely announced as exceptions. Otherwise, protected channels remain rhetorical and acceptability thresholds are not met in practice.

Education and research mobility form a parallel threshold domain, particularly for students and scholars whose life trajectories depend on predictable entry, payment processing, and access to services. Here the acceptability issue is partly strategic: cutting educational and scientific ties can reduce the EU's soft power and knowledge exchange, potentially undermining long-term objectives. Yet the threshold remains primarily ethical and rights-adjacent: young people and students have high welfare sensitivity to administrative disruption, and their capacity to absorb friction is limited. The report therefore treats education-related mobility as a protected-interest category that should be shielded through clear process standards and predictable pathways. This does not imply unrestricted access; it implies an engineered route that maintains scrutiny while preventing arbitrary exclusion. Where such routes do not

exist, sanctions regimes risk imposing harms on low-agency groups with weak causal proximity to the targeted conduct, which weakens proportionality.

Health-related thresholds are among the strongest acceptability constraints because harm can be immediate, irreversible, and morally salient. The euro banknotes case demonstrates how health-related motives can collide with narrow legal exceptions; more generally, payment and mobility frictions can delay care, disrupt treatment continuity, or increase financial exposure during medical travel. The report's position is not that sanctions must accommodate all health spending choices; it is that regimes should avoid predictable obstruction of urgent or essential health needs where protected channels can be engineered. This is precisely the logic behind humanitarian derogations in other sanctions contexts: essential life-sustaining activities should not become casualties of compliance ambiguity. If protected channels are absent, households will seek informal pathways that reduce transparency and increase fraud risk, worsening both welfare outcomes and enforcement controllability. Therefore, protecting health-related pathways can simultaneously support ethics and enforcement quality.

Acceptability limits also include the principle of legal certainty. Citizens and small operators must be able to understand, at least in practical terms, what is permitted and what documentation is required. When legal boundaries are complex and frequently updated, uncertainty becomes a social cost in itself. This is why the existence of consolidated guidance resources is significant: it is an institutional response to the legal certainty constraint. Yet legal certainty is not achieved by publishing PDFs alone; it requires that guidance is accessible, stable, and reflected in consistent operational practice. Otherwise, citizens face a maze: formal permissibility on paper, functional refusal in practice. Acceptability thresholds therefore require “coherence” between the legal layer and the operational layer, particularly in retail finance where de-risking can transform ambiguity into blanket denial. This logic links directly to the governance instruments discussed earlier and provides the foundation for the policy proposals in 4.5.

A further threshold is the availability of remedy and error correction. In a high-volume screening environment, false positives are inevitable: name matches, misidentified counterparties, or misunderstood purposes. If households have no practical channel to challenge a refusal or to obtain clarification, the system becomes opaque and potentially arbitrary. EU sanctions doctrine in the targeted-listing domain has evolved under judicial pressure to provide reasoning and review, which suggests that remedy mechanisms are integral to legitimacy. Social sanctions require analogous remedy logic for compliance-mediated refusals: institutions should have escalation routes, and authorities should provide clear references to competent bodies and guidance. Without remedy, households internalise sanctions as indiscriminate exclusion, which elevates legitimacy costs and fuels the narrative of collective punishment. Remedy mechanisms also improve enforcement discriminative capacity because they reduce the incentive for blanket refusal and encourage calibrated risk management.

The report's acceptability framework also recognises that sanctions can generate stigma and social hostility, which is a harm channel distinct from legal restriction. When public and private actors interpret sanctions as cues for categorical suspicion, Russian nationals and Russia-linked persons can face barriers unrelated to formal prohibitions. This can manifest in platform access, rental markets, employment, or private services. While these outcomes are hard to quantify, they are relevant to acceptability because they can erode social cohesion and contradict EU values. The governance response is partly informational—clear communication that sanctions are targeted and that lawful activity remains lawful—and partly procedural, through mechanisms to handle discrimination-like outcomes in regulated sectors. This is an area where precision and clarity reduce harm without weakening strategic pressure, because they reduce noise and false positives.

Because these thresholds are multi-dimensional, the report operationalises them through a practical “threshold matrix” that links protected interests to risk modes and mitigation levers. This is presented in Table 4.3.2-1, which serves as a reference point for the rest of 4.3 and for the design proposals in 4.5. The matrix is deliberately structured to keep analysis operational: each threshold is attached to (1) the

typical failure mode in practice and (2) the governance instrument that can mitigate it. This prevents the acceptability debate from drifting into abstract moral language and preserves continuity with the sanctions-engineering idiom used throughout the report.

Table 4.3.2-1. Acceptability threshold matrix: protected interests, failure modes, and mitigation levers

Protected interest / threshold domain	Why it is a “red-line” category	Typical failure mode under social sanctions	Minimum mitigation requirement (operational)	Key EU anchor sources
Humanitarian space (life-saving assistance; essential needs)	High moral and legal salience; international humanitarian alignment	Exceptions exist but are unusable; compliance fear blocks lawful activity	Workable derogations; clear procedures; bank/actor guidance	Commission humanitarian guidance note; humanitarian derogations factsheet
Health and urgent medical needs (travel and payments)	Time-critical welfare; irreversible harm risk	Narrow exception interpretation; border/payment friction blocks urgent needs	Explicit medical prioritisation pathways and clear documentation standards	CJEU/Curia communication on euro banknotes prohibition; Commission euro banknotes FAQ
Family life (close relatives; caregiving)	High welfare sensitivity; legitimacy and cohesion implications	De facto impossibility due to repeated scrutiny and administrative rationing	Protected-category processing routes; predictable rules; escalation channels	EU sanctions regime governance tools and guidance infrastructure (overview pages)
Education and research mobility	Long-term societal impact; low-agency group vulnerability	Administrative burden and financial friction disrupt life trajectories	Clear pathways; prioritised processing; stable payment/transfer routes	EU-level guidance and monitoring capacity (sanctions resources; visa statistics context)
Legal certainty and remedy	Rule-of-law requirement; prevents arbitrary deprivation	Over-compliance creates de facto bans with no explanation or correction	Clear guidance + accessible complaint/escalation + error-correction mechanisms	Rule-of-law framing in targeted sanctions jurisprudence and scholarship
Non-discrimination and equal treatment in operational practice	Protects EU values; reduces stigma harm	Risk heuristics become categorical exclusion	Harmonised guidance; supervisory calibration; monitoring of discrimination-like outcomes	Supervisory standards and interpretative governance materials

Authorship: analytical framework (this report) was prepared by the author

Note: The matrix does not imply unrestricted access in protected domains; it specifies the minimum operational conditions under which social sanctions can remain compatible with EU legitimacy commitments while preserving enforcement aims.

Sources:

- Commission humanitarian derogations factsheet: https://finance.ec.europa.eu/system/files/2022-04/eu-restrictive-measures-humanitarian-derogations-factsheet_en.pdf
- Commission humanitarian aid guidance note: https://commission.europa.eu/system/files/2022-06/220630-humanitarian-aid-guidance-note_en.pdf
- EBA Guidelines page: <https://www.fma.gv.at/en/eu/eba-guidelines/>
- Curia press release on euro banknotes export prohibition: <https://curia.europa.eu/jcms/upload/docs/application/pdf/2025-04/cp250056en.pdf>
- EUR-Lex case notice (C-246/24): <https://eur-lex.europa.eu/eli/C/2025/3251/oj/eng>
- Sanctions resources overview (Finance): https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/overview-sanctions-and-related-resources_en
- Kadi judgment record: <https://eur-lex.europa.eu/legal-content/EN/CASE/?uri=CELEX%3A62010CJ0584>

The threshold matrix also clarifies why social sanctions require different design discipline than sectoral industrial controls. Industrial controls can be justified through capability-denial logic even when

collateral market costs are significant, because the endpoint is strategic capacity. Social sanctions touch endpoints where collateral harm is morally salient and legally sensitive, and where the EU's narrative makes population-wide harm difficult to justify. Consequently, the “burden of justification” is higher: the system must demonstrate not only intent to target, but actual control over spillovers. Where control is weak—such as in over-compliance and market exits—acceptability thresholds require governance measures that narrow operational effects without eroding enforcement. This is why guidance, safe harbours, and structured exceptions are treated as core instruments rather than as optional add-ons.

A key implication for 2026–2030 is that tightening anti-circumvention expectations can raise social costs if it increases operational conservatism without improving discriminative targeting. If operators are asked to apply broad “best efforts” and enhanced due diligence, they may respond by reducing services to entire categories of customers or transactions to minimise compliance risk. This can shift the system toward *de facto* collective restriction. Acceptability thresholds therefore imply a calibration requirement: enforcement expectations must be coupled with practical clarity about lawful personal activities and safe operational pathways. The Commission's broader sanctions resource infrastructure demonstrates the institutional capacity for such calibration, but the question is whether it will be extended systematically to social endpoints. In other words, the acceptability limit is not a prohibition on strong enforcement. It is a requirement that enforcement be intelligently targeted and that essential civilian pathways remain viable.

The report also treats reversibility and review as acceptability conditions. Social sanctions that cannot be adjusted in response to demonstrated collateral harm are more likely to become politically and legally brittle. Review clauses, periodic assessment, and monitoring indicators are therefore not merely governance formality; they are legitimacy stabilisers. The EU's iterative approach to sanctions packages and regime summaries indicates that policy is already treated as evolving, which makes review and adjustment feasible in principle. For social sanctions, review should include metrics that capture operational accessibility of protected channels and the prevalence of compliance-mediated refusals. If review is limited to macro indicators, distributional and rights-relevant harms can be missed. Acceptability limits thus require that monitoring architectures include social endpoints, not only trade and financial aggregates.

Finally, the acceptability framework must maintain analytic humility on political outcomes while remaining firm on welfare and rights thresholds. It is difficult to prove that social sanctions change political attitudes inside Russia, and it is not methodologically sound to justify high collateral harm on speculative political gains. The report therefore uses a conservative rule: where strategic leverage is uncertain, the acceptability threshold tightens and mitigation duties become stronger. Conversely, where a measure has a clear targeting logic and strong discriminative capacity, modest collateral frictions may be more defensible. This approach keeps the report aligned with EU legal-ethical constraints and preserves credibility.

4.3.3. Social Cohesion Effects and Unintended Consequences

Sanctions in the social sphere can generate outcomes that are neither explicitly intended by policymakers nor easily controllable once they emerge. These effects matter because they operate on *social cohesion*—trust, perceived fairness, and the stability of everyday life arrangements—and because cohesion is a precondition for the long-run legitimacy of restrictive measures. In the EU–Russia context, the most important unintended consequences arise at the boundary between *targeted legal intent* and *diffuse operational reality*, as established earlier in 4.1.2–4.1.4. When a sanctions regime is experienced by ordinary people as unpredictable friction rather than intelligible targeting, it can create resentment, stigma, and avoidance behaviours. Those behaviours can, in turn, reduce transparency and undermine enforcement discriminative capacity by pushing activity into less observable channels. In a sanctions-engineering frame, unintended consequences are not “soft” externalities; they are system

feedbacks that can alter the regime's steady state. The Commission's repeated publication of consolidated implementation FAQs illustrates that the EU itself treats operational frictions as recurring and therefore policy-relevant.

The first cohesion risk is the emergence of a *collective-effect perception*, in which measures framed as targeted are socially interpreted as population-directed. This perception can form even when law is formally narrow, because the household endpoint is governed by private actors' de-risking and by member-state heterogeneity rather than by transparent individualised decisions. In mobility, the perceived meaning of tighter Schengen access can become a symbol of broad exclusion, regardless of the existence of exceptions for protected categories. In finance, denial of lawful services without clear explanations can feel indistinguishable from a categorical ban, especially when the affected individual has no practical remedy. Such perceptions can harden into narratives of discrimination and unfair treatment, which are cohesion-degrading both within the EU and across EU–Russia social relations. The legitimacy constraint described in Table 4.3.2-1 is therefore not only a legal boundary but a narrative boundary: if targeted intent cannot be credibly demonstrated in lived outcomes, the regime's moral posture erodes. This does not imply that the EU should abandon strong measures; it implies that governance must actively manage how operational effects map onto social meaning.

A second cohesion risk arises from *stigma and informal discrimination*, particularly in services and financial intermediation. When private actors respond to sanctions risk by treating “Russia-linked” indicators as a default risk flag, nationality or perceived nationality can become a proxy variable in denial decisions. Even where formal law does not mandate such denial, conservative risk postures can generate a pattern of exclusions that resembles discriminatory treatment in its social effect. This is not only a moral problem. It is an operational problem because it increases false positives and drives lawful activity into opaque arrangements. Practical debates in European legal and compliance commentary have highlighted that blanket refusal solely on the basis of Russian nationality can raise discrimination concerns in domestic legal frameworks. While the precise legal standards vary by jurisdiction, the broader point is stable: over-broad categorical exclusion carries high legitimacy costs. In sanctions governance terms, the cohesion risk is highest where denial is frequent and reasons are not communicated, because opacity converts a compliance choice into a perceived moral judgement. This is why remedy and explainability, discussed in 4.3.2, function as cohesion stabilisers rather than administrative niceties.

A third unintended consequence is *social polarisation* inside EU member states, where sanctions debates can become proxies for broader disputes about migration, security, and national identity. Visa and mobility measures are especially prone to polarisation because they are emotionally legible and politically communicable, even when their strategic effect is modest compared with industrial or financial controls. The 2025 tightening of multi-entry visas, framed around sabotage and misuse risk, illustrates how security narratives can justify broad procedural tightening while still preserving exceptions. Yet such tightening also amplifies domestic political arguments about fairness, the treatment of dissidents and families, and the moral boundaries of “collective closure.” In a polarised environment, the same measure can be read as necessary security governance or as symbolic exclusion, and this interpretative split itself can reduce cohesion. For the EU, the policy challenge is to maintain consensus across member states whose risk exposure and public attitudes differ, which is an inherently difficult coordination task. If consensus weakens, enforcement heterogeneity grows, which then feeds back into perceptions of arbitrariness and unfairness. This is why cohesion effects are structurally linked to the operational variance problem described earlier.

A fourth risk is the *hardening of antagonistic narratives* in Russia, where social frictions can be interpreted as confirmation of hostile intent rather than as targeted pressure on responsible actors. This is a classic “signalling backfire” mechanism in sanctions literature: visible civilian-facing friction can be used by state-aligned communication to support the claim that external actors target ordinary people. The report does not assume that this backfire is inevitable, but it treats it as plausible and relevant to acceptability because it can reduce the marginal persuasive value of sanctions. Recent scholarly work

on sanctions has renewed attention to the possibility of “backfire” and to the conditions under which sanctions increase rather than decrease support for targeted regimes. In the social domain, the backfire risk rises when the burden is diffuse and when protected channels are perceived as inaccessible. It also rises when exceptions exist in public statements but are hard to operationalise, because that mismatch is easily framed as hypocrisy. This mechanism is a key reason why 4.5 proposes not only ethical principles but operational designs that make protected channels demonstrably usable. It is also a reason to treat communication and transparency as instruments, not as afterthoughts.

A fifth unintended consequence is *informalisation*—the growth of informal intermediaries and opaque routes for mobility, payments, and consumer procurement. Informalisation occurs when lawful pathways become too costly, slow, or uncertain, and when private providers respond to risk by refusing borderline activity. In finance, informalisation can involve reliance on intermediaries and third-country settlement arrangements that reduce transparency. In consumer markets, it manifests as parallel import chains and brokerage services that carry higher fraud and consumer protection risks. In mobility, it can drive increased use of third-country hubs and complex routing that makes monitoring harder and raises the cost of legitimate travel. Informalisation is cohesion-degrading because it concentrates benefits on those with networks and resources, while exposing vulnerable groups to higher risk and lower protection. It is also enforcement-degrading because it reduces observability and increases the capacity for circumvention alongside legitimate adaptation. Empirical and analytical work on sanctions has described “ricochet” effects in which tightening measures and anti-circumvention pressure create delays and cancellations even in nominally lawful transactions, pushing activity toward alternative channels. The acceptability implication is that sanctions systems must preserve workable compliant pathways if they wish to avoid the governance externality of widespread informalisation.

A sixth cohesion risk is the emergence of *inequality amplification*, where the ability to absorb friction becomes a primary determinant of access to normal life activities. Distributional mapping in 4.3.1 already established that vulnerable groups face higher welfare losses per unit of friction. Unintended consequences deepen when friction becomes a sorting mechanism: high-resource actors adapt through intermediaries, while low-resource actors are rationed out by administrative burdens. This can make social sanctions ethically fragile even if their intent is elite targeting, because the observed burden can shift down the income distribution. In consumer restrictions, the mechanism is not deprivation of necessities but loss of consumer protection and exposure to fraud and inferior substitutes, which functions as a regressive welfare tax. In finance, the mechanism is documentation capacity and bank relationship strength, which are unequally distributed. In mobility, the mechanism is appointment scarcity and repeated application costs, which reward time flexibility and network capital. Cohesion weakens when the system is perceived to punish the less capable while the well-connected continue to navigate around constraints. This is one reason why operational clarity, standardisation, and calibrated safe channels are central to the acceptability framework.

A seventh unintended consequence is *administrative overload* and “queueing as rationing,” where state capacity constraints become a de facto policy instrument. In visas, appointment availability and processing capacity can effectively ration access even without a formal ban. In banking, compliance teams’ workload can turn transaction processing time into a barrier, and small-value lawful transfers can be refused simply because investigation costs exceed perceived value. This mechanism is cohesion-degrading because it introduces arbitrariness: the outcome depends on capacity, timing, and provider policy rather than on transparent criteria. It is also self-reinforcing because overload increases risk aversion, which increases documentation demands, which increases workload further. The EU has partially addressed this through guidance intended to harmonise interpretation and reduce avoidable uncertainty, yet guidance can only do so much if operational incentives remain strongly asymmetric. In a sanctions-engineering perspective, administrative overload is a controllability risk: it shifts real-world restrictiveness into an unplanned domain—capacity—rather than policy design. Where overload persists, the case for protected channels becomes stronger, because prioritisation is the only way to

prevent essential needs from being crowded out by discretionary demand. This is directly relevant to the humanitarian and rights thresholds set out in Table 4.3.2-1.

An eighth cohesion risk concerns *over-compliance spillovers* into unrelated life domains, such as housing, employment, education services, and routine contracting. When sanctions compliance becomes a generalised “risk lens,” service providers may adopt internal policies that exclude Russia-linked customers even in areas where sanctions law is not directly implicated. This can create a socially corrosive sense of exclusion and can trigger legal disputes in domestic contexts, further politicising sanctions. From an enforcement standpoint, such spillovers are often inefficient: they generate noise and resentment without improving targeting. From a legitimacy standpoint, they threaten the EU’s targeted narrative because the lived experience becomes categorical. The policy remedy is not primarily legislative; it is governance: clearer communication of scope, standardised compliance expectations, and explicit discouragement of blanket nationality-based refusal. Supervisory-level standard-setting can reduce arbitrary variance, but it must be calibrated to avoid encouraging maximalist refusal as the safest posture. The EBA’s move toward common EU standards on restrictive measures, with application timelines in late 2025 across national supervisors, illustrates the increasing institutionalisation of sanctions compliance governance. Whether this institutionalisation reduces or increases cohesion costs depends on whether it improves discriminative precision (fewer false positives) or mainly hardens de-risking norms.

A ninth unintended consequence is *misinterpretation of exceptions* and the creation of high-salience hardship cases that damage legitimacy disproportionately to their statistical frequency. The euro banknotes restriction is illustrative: narrow interpretation of the personal-use exception, combined with humanitarian intuitions, can produce cases perceived as morally harsh. When such cases surface in public discourse, they function as narrative amplifiers that can overshadow the targeted logic of the broader regime. This phenomenon is important because sanctions legitimacy is partly reputational: it depends on the belief that the system is rule-based and proportionate. If exceptions are legally narrow, then communication must be clear to prevent misunderstanding; if communication is unclear, misunderstanding becomes a cohesion cost. The EU has attempted to manage exception interpretation through dedicated FAQ documents and consolidated guidance. Nonetheless, the existence of high-salience boundary disputes suggests that exception design and operational guidance require continuous refinement. In acceptability terms, a single visibly harsh outcome can increase political pressure for either loosening or tightening, both of which can polarise debate. Therefore, high-salience exceptions should be treated as critical design points, not marginal footnotes.

A tenth cohesion risk is *member-state divergence* in socially sensitive domains, which can produce cross-border political friction within the EU itself. Schengen mobility measures are inherently collective: a visa issued by one member state affects access to the wider area. When member states diverge in issuance posture, other members perceive spillover risk, which triggers calls for harmonisation. This is a classic coordination problem that can erode internal cohesion if security exposure is uneven. The reported 2025 tightening toward single-trip scrutiny reflects an attempt to reduce systemic risk through uniform procedural design rather than by banning access outright. Yet even with uniform rules, operational divergence can persist through capacity and discretionary thresholds, meaning that cohesion risk remains. The policy implication is that harmonisation efforts must target *operational standards* as much as legal baselines. Where operational divergence persists, perceptions of unfair burden-sharing grow, which can weaken collective commitment to the sanctions’ regime. This is another reason why sanctions governance tools—guidance, supervisory coordination, and standard-setting—are central to acceptability.

An eleventh unintended consequence concerns *third-country externalities*, where social sanctions change incentives and flows through non-EU jurisdictions. Tighter EU mobility and financial pathways can increase the role of third-country hubs for travel, payments, and consumer procurement. This re-routing has two cohesion-relevant effects: it creates a perception that sanctions are porous for those who can route around them, and it shifts burdens onto those unable to route. It can also create

diplomatic tensions, as the EU seeks anti-circumvention cooperation from third countries and presses for alignment with EU security concerns. The social relevance is indirect but important: if legal pathways are replaced by complex third-country routes, citizens experience a loss of normality and predictability. Research on sanctions dynamics has noted that tightening measures can create delays and cancellations even in lawful shipments and transactions due to third-country banks and operators reacting to risk, indicating how externalities propagate. In cohesion terms, third-country routing produces an “unequal geography of access,” where mobility and finance become contingent on location and external intermediaries. The acceptability constraint is therefore partly about preventing sanctions from becoming a de facto “network exclusion” that rewards geography and networks rather than targeting.

A twelfth risk is *institutional trust erosion* among affected diaspora and cross-border communities within the EU. These communities often sit at the interface of EU systems—banks, visa offices, residency institutions—and thus experience sanctions not as abstract policy but as daily administrative reality. When lawful transfers are delayed, accounts are closed, or mobility becomes unpredictable, trust in institutions can weaken, especially if reasons are not explained or remedies are unclear. Trust erosion matters because it reduces compliance willingness and increases reliance on informal mechanisms. It also has domestic cohesion implications: communities may feel marginalised, increasing social fragmentation. This is why the acceptability framework emphasises legal certainty and remedy: transparency is not only a legal requirement but a trust-preserving instrument. EU-level consolidated FAQs are relevant here because they aim to reduce ambiguity and thus reduce arbitrary refusal, but their effectiveness depends on whether providers internalise the guidance consistently. Supervisory convergence, such as the EBA’s restrictive-measures guidelines timeline, can also support trust by reducing provider variance, provided it improves precision rather than merely increasing conservatism.

A thirteenth unintended consequence is *policy path dependency*, where once high-friction norms are established, reversing them is difficult even if formal policy relaxes. Private actors invest in risk models, conservative rules, and compliance infrastructures that are costly to recalibrate. Recalibration also carries reputational risk: a firm that loosens controls may fear being judged negligent. This means that social frictions can persist beyond the specific legal trigger that created them, producing a “ratchet effect” in everyday life. The EU’s iterative production and updating of consolidated FAQs suggests the system is dynamic, yet the direction of private risk posture is often sticky. Path dependency is cohesion-relevant because it can create a permanent sense of exclusion or uncertainty, especially for cross-border families and diaspora networks. It also complicates the design of “reversibility” that is often cited as a virtue of sanctions: legal reversibility does not guarantee operational reversibility. Therefore, acceptability analysis must treat reversibility as an operational property requiring explicit design measures, such as clear safe harbours and public de-escalation guidance. Without these, loosening can be legally possible but socially invisible. This is a crucial consideration for 2026–2030 scenario design in 4.4.

A fourteenth risk is *feedback amplification through media cycles*, where isolated incidents become representative narratives. In a high-salience domain like social sanctions, a single case of perceived unfairness can gain disproportionate attention and shape beliefs about the system’s overall character. This matters because sanctions legitimacy relies on public trust that the regime is principled and controlled. If the system is perceived as arbitrary, pressure grows for blunt tightening (“close everything”) or dramatic relaxation (“sanctions are immoral”), both of which can destabilise policy coherence. The EU’s public messaging that sanctions are targeted and do not target populations is intended to protect against such narrative drift, but messaging must be supported by operational reality. The risk is greatest when exceptions exist but are applied inconsistently, because inconsistency is narratively easier to frame as hypocrisy than as complexity. This is why 4.5 will treat exception pathways as requiring process metrics and transparency, not only legal clauses. In engineering terms, narrative cycles are a form of “public feedback loop” that can force policy change independent of measured strategic outcomes. Managing these loops requires predictable, explainable procedures.

A fifteenth unintended consequence is that *ethical disputes can become enforcement disputes*, weakening compliance through politicisation. When citizens perceive measures as unfair, they may seek ways to circumvent not because they oppose the strategic goal, but because they perceive personal hardship as unjust. This can lower voluntary compliance and increase enforcement workload. In household finance, for example, small-scale circumvention through intermediaries can become socially normalised if lawful channels are experienced as unreliable. Normalisation of circumvention is cohesion-degrading because it weakens rule-of-law norms and can spill into other domains of behaviour. It also undermines the EU's enforcement objectives by creating a larger grey zone in which illicit and licit flows mix. Therefore, ethical sustainability is an enforcement asset: a regime perceived as proportionate is easier to comply with and easier to defend. This is a central claim of the report's social-sanctions framework: legitimacy is a system stabiliser, not a moral garnish. The institutional effort invested in guidance and standard-setting implies that EU authorities recognise the need for operational clarity to support compliance.

A sixteenth cohesion risk is the *misalignment between instrument intent and measurable outcomes*, which can create policy drift. If consumer restrictions intended to pressure elites primarily generate substitution and informalisation, the outcome becomes more about symbolic signalling than leverage. If mobility restrictions intended to increase security scrutiny primarily ration family contact through queueing, the outcome becomes ethically fragile. If financial restrictions intended to constrain strategic actors primarily produce broad de-risking of ordinary citizens, the outcome undermines the targeted narrative. In each case, misalignment creates a legitimacy deficit and can reduce strategic effectiveness by dispersing costs away from enabling structures. This is why the report insists on measurement and attribution discipline (4.1.3) and on acceptability thresholds (4.3.2) as design constraints. The EU's publication of consolidated FAQs and the move toward common supervisory standards provide tools for reducing misalignment, but tools must be used explicitly for cohesion management. Misalignment also implies that "more sanctions" is not always "more pressure" in the social sphere; sometimes, more sanctions are more noise. Therefore, unintended consequences are central to the forward-looking strategy: the goal is not maximum friction, but calibrated friction that maintains legitimacy and discriminative power. This is the bridge to Section 4.4 and the ethically robust proposals in Section 4.5.

A seventeenth implication is that cohesion risks can be managed through a finite set of governance levers, and those levers should be treated as integral to sanctions policy. These include: standardisation of protected pathways; clear public-facing explanations of scope and exceptions; supervisory calibration to discourage blanket de-risking; and accessible remedy and escalation routes for false positives. The EU already deploys part of this toolkit via consolidated FAQs and supervisory standard-setting, as evidenced by the Commission's updated consolidated version dated 23 January 2026 and by the EBA's restrictive-measures guidelines timeline. The report's contribution is to argue that the same toolkit should be explicitly oriented to social cohesion outcomes, not only to enforcement integrity. If cohesion is treated as "external," then measures will be evaluated only after harm occurs and narratives harden. If cohesion is treated as "internal," then indicators and monitoring can detect stress early and prevent high-salience failures. This monitoring logic will be operationalised later in 4.5.4 (Monitoring and feedback loop). In the present subsection, it is sufficient to note that unintended consequences are not unpredictable. They are patterned and therefore governable. Table 4.3.3-1 summarises the key unintended consequences and the primary mitigation levers.

Table 4.3.3-1. Unintended social consequences of social sanctions: mechanisms, cohesion risks, and mitigation levers

Unintended consequence	Dominant mechanism	Primary cohesion risk	Typical empirical “signal”	Mitigation lever (design/governance)	Key documentation anchors
Collective-effect perception	Diffuse operational spillovers exceed targeted intent	Legitimacy erosion; resentment; reduced compliance	High variance of outcomes; persistent complaints about arbitrariness	Protected channels + transparent criteria + remedy	Commission FAQs hub and consolidated versions
Stigma / discrimination-like outcomes	Nationality-proxy de-risking and blanket refusals	Social fragmentation; reputational damage	Category-based refusal patterns; legal disputes and public controversy	Clarify scope; discourage blanket refusal; escalation routes	Guidance and compliance governance environment
Informalisation and grey intermediaries	Excessive friction in compliant pathways	Fraud exposure; inequality; enforcement opacity	Growth in intermediary services; shift to opaque routes	Keep lawful pathways usable; safe harbours for low-risk lawful activity	Commission consolidated FAQs (operational clarity)
Inequality amplification	Adaptive capacity correlates with resources and networks	Perceived unfairness; regressive welfare loss	Access stratification; “queueing” and intermediary reliance	Prioritise protected groups; simplify processes; monitor distributional outcomes	Visa tightening context; guidance infrastructure
Administrative overload (queueing rationing)	Capacity constraints become de facto restrictiveness	Arbitrariness; stress on essential needs	Appointment scarcity; long processing times; refusal by workload	Process standards; prioritisation; clear documentary requirements	Commission guidance and FAQ governance
Path dependency (“ratchet effect”)	Sticky private risk postures and compliance investments	Persistent exclusion even after policy changes	Frictions persist despite stable legal text	De-escalation guidance; explicit safe harbours; review metrics	Consolidated version updates (governance iteration)

Authorship: analytical framework (this report) was prepared by the author

Note: The “signals” column is indicative. In the social sphere, systematic outcome datasets are often limited; therefore, governance artefacts (updated consolidated FAQs, supervisory standards) are treated as key observability tools alongside official statistics where available.

In sum, social cohesion effects and unintended consequences define the real acceptability frontier of social sanctions. They include collective-effect perceptions, stigma and discrimination-like outcomes, polarisation, narrative backfire, informalisation, inequality amplification, administrative overload, over-compliance spillovers, high-salience hardship cases, member-state divergence, third-country externalities, diaspora trust erosion, path dependency, media feedback amplification, politicised circumvention, and intent–outcome misalignment. These effects do not automatically negate sanctions, but they change the optimisation problem: policy must maximise pressure on responsible structures while minimising uncontrolled social spillovers. The EU’s existing governance infrastructure—updated consolidated FAQs and increasingly standardised supervisory expectations—provides a foundation for managing these risks. The central claim is that legitimacy and cohesion are strategic resources: they increase durability, reduce circumvention incentives, and improve enforcement discriminative capacity. Therefore, acceptability is not an external moral constraint but a core design parameter. 4.3.4 will translate this into a narrower implementation problem: compliance externalities and over-compliance, and the concrete governance remedies that can reduce them without weakening enforcement.

4.3.4. Compliance Externalities and the Problem of over-Compliance

Compliance externalities are the unintended, downstream costs imposed on individuals and legitimate economic activity when sanctions obligations are implemented through high-friction controls, conservative interpretation, and broad risk aversion. In the social sphere, these externalities are not marginal. They are often the primary way sanctions are *experienced* by households, particularly in everyday finance and platform-mediated services. The core difficulty is that sanctions compliance operates under asymmetric incentives: the downside of an error (breach, penalties, reputational damage) is typically perceived as much larger than the downside of refusing a lawful transaction. This asymmetry pushes private actors toward a safety-first equilibrium in which lawful activity is sometimes treated as “too risky to process”. The EU’s governance architecture implicitly recognises the resulting implementation burden, as shown by the continuing production of consolidated and thematic FAQs by Commission services. The acceptability challenge is therefore not whether compliance systems should exist, but whether they can be engineered to be discriminative enough to block prohibited conduct without producing diffuse civilian burdens. This subsection explains why over-compliance is a predictable system outcome, how it propagates across sectors, and which governance levers can reduce it without weakening enforcement.

Over-compliance should be defined precisely because it is often discussed loosely. In this report, over-compliance refers to operational outcomes where a regulated actor refuses, delays, or exits lawful activity beyond what is required by the legal text, typically due to uncertainty, risk appetite, or compliance capacity constraints. The defining feature is not malicious intent; it is the combination of ambiguity and asymmetry of incentives that makes refusal the rational default. Over-compliance is closely related to “de-risking”, but the latter is broader: de-risking can include lawful strategic withdrawal from exposure categories even when the actor could comply through calibrated controls. In practice, the household endpoint is the same: reduced access to lawful payment services, delays in transfers, refusal to open or maintain accounts, and unexplained transaction cancellations. These outcomes are distinct from direct legal restrictions because they often lack transparent reasoning and offer limited pathways for correction. The EU Commission’s consolidated FAQs explicitly target this operational layer by giving interpretative guidance to national authorities, EU operators, and citizens, indicating that the system anticipates implementation friction. The key point for acceptability is that over-compliance can generate population-like burdens without the procedural safeguards that typically accompany formal restrictive measures.

The causal drivers of over-compliance can be grouped into four system-level factors: legal complexity, enforcement uncertainty, operational capacity, and reputational risk. Legal complexity is intrinsic to modern sanctions regimes that rely on annexes, definitions, indirect prohibitions, ownership and control tests, and expanding anti-circumvention expectations. Enforcement uncertainty arises because institutions do not perfectly know how supervisory scrutiny will be applied or how borderline cases will be judged after the fact. Operational capacity matters because high-quality compliance is expensive; smaller institutions and platforms often choose broad exclusion because they cannot afford fine-grained assessment. Reputational risk accelerates all these factors because even a lawful transaction can be perceived as “controversial”, pushing institutions to avoid it. The Commission’s approach to publishing thematic FAQs—on banknotes, services, energy provisions, and “best efforts”—is best understood as an attempt to reduce legal uncertainty and standardise interpretation across the market. However, guidance can only partially neutralise asymmetry; it can clarify boundaries, but it cannot fully remove institutional risk aversion when incentives remain uneven.

In the financial sector, over-compliance tends to manifest in three high-impact household failure modes: heightened documentation requirements, slow processing and “pending” states, and outright refusal or offboarding. Documentation demands often expand in scope and depth when a transaction has any Russia-linked marker, even if it is small and personal, because institutions cannot easily prove negative exposure. Processing delays become a rationing mechanism because compliance review queues are finite, and heightened scrutiny increases workload, which in turn increases delay. Outright

refusal becomes the simplest risk control when the institution sees low commercial upside and high perceived downside. These failure modes are socially costly because they create uncertainty in basic life functions, and they disproportionately harm the groups mapped in Table 4.3.1-1, such as diaspora households and cross-border families. Over-compliance also produces a moral hazard: the easiest way for an institution to appear compliant is to refuse broadly, even if this undermines the EU's targeted-sanctions narrative. The EU's move toward common standards in the financial sector, via EBA Guidelines on internal policies and controls for implementing restrictive measures, is an institutional response intended to reduce variance and improve governance quality. Yet this institutionalisation can tighten the operational baseline if applied as "maximum caution" rather than calibrated risk management, which makes governance design and supervisory messaging central to acceptability.

A particularly instructive example of compliance externalities is the euro banknotes restriction, because it shows how narrow legal boundaries and conservative interpretation can generate high-salience household frictions. The Commission's banknotes FAQ references the Court's interpretation and stresses that the personal use exception must be read narrowly and limited to essential or necessary needs of travellers and their immediate families. Even when individuals believe their purpose is legitimate, they may struggle to predict how authorities or carriers will interpret "personal use", increasing perceived risk and discouraging lawful conduct. The resulting behavioural shift—toward alternative instruments, third-country currency strategies, or avoidance of travel—demonstrates how a legal measure can produce broader social effects through uncertainty costs. This is not a marginal concern because household decision-making is sensitive to perceived enforcement risk at borders and within banking systems. The banknotes case also highlights a structural legitimacy problem: when outcomes appear harsh in humanitarian-adjacent contexts, reputational damage can exceed the measure's marginal enforcement value. The policy lesson is not that exceptions should be unlimited, but that exception design and communication must anticipate high-welfare-loss contexts and offer predictable pathways. This logic connects directly to the threshold matrix in Table 4.3.2-1 and to the design proposals later in 4.5.

Over-compliance is not confined to finance; it propagates across digital services, logistics, and consumer ecosystems because these sectors depend on payment processors and risk-screened supply chains. Platforms may restrict account access, subscriptions, or support services for Russia-linked users to avoid any perceived sanctions exposure, even if the legal obligation is ambiguous or limited. Logistics providers may decline shipments with Russia-linked routing risk, raising prices and delays even for non-prohibited goods, which then affects households through consumer availability and higher transaction costs. Retailers and service providers may adopt "no Russia-linked business" policies as a compliance shortcut, which can spill into civil society and education services. These effects produce a social experience of exclusion that is broader than the legal perimeter and therefore harder to justify under the EU's targeted narrative. The Commission's consolidated FAQs explicitly state their purpose as guidance for authorities, operators, and citizens, which implicitly acknowledges that the operational layer includes many actors beyond banks. In social terms, the central concern is that platform and services over-compliance can quickly become population-like because platforms scale decisions across millions of users. The acceptability question is whether governance instruments can reach these actors effectively, or whether over-compliance remains a largely private, unaccountable domain.

One reason over-compliance persists is that sanctions regimes increasingly include anti-circumvention mechanisms that widen the set of "risky" patterns. When compliance obligations emphasise indirect supply, beneficial ownership, and control tests, and when operators are encouraged to detect circumvention routes, the compliance burden becomes both broader and less precise. This can increase false positives, because low-information environments lead institutions to treat uncertain cases as high-risk. The EU's "best efforts" obligation under Article 8a of Regulation 833/2014 is emblematic: it extends expectations to EU operators to take suitable actions so their non-EU subsidiaries do not undermine sanctions, and Commission FAQs detail how "best efforts" should be interpreted. While this is primarily a corporate governance instrument, it contributes to the broader

compliance climate in which risk appetite tightens. The indirect effect is that firms may impose stricter internal rules that can cascade to consumer-facing services and payment acceptance decisions. Thus, even when a household is not directly within the legal target set, it can be impacted by corporate “best efforts” translated into conservative global policies. The policy implication is that anti-circumvention and “best efforts” tools need complementary “precision tools” that protect lawful personal activity from being swept into broad exclusion. Without such precision tools, the regime risks converting enforceability into friction rather than into targeted pressure.

A key legitimacy risk is the creation of *de facto bans without due process*. When a bank refuses a lawful transfer or closes an account for sanctions-risk reasons without giving a clear explanation or remedy path, the individual experiences an outcome similar to a formal restriction but without the procedural safeguards of a formal measure. This is not merely a consumer-rights issue; it is a sanctions legitimacy issue, because the EU’s targeted model presupposes intelligible criteria and reviewability at least for core categories of deprivation. In the sanctions’ context, private actors are not courts, but their decisions can become functionally decisive gates. This gatekeeper role makes over-compliance a constitutional-adjacent problem: it shifts coercive effect into private discretion. The Commission’s reliance on interpretative FAQs can help, but guidance alone does not guarantee consistent remedy in individual cases. A mature governance response requires that regulated actors maintain escalation routes, recordkeeping, and internal decision rationales that can be audited. The EBA Guidelines explicitly target governance arrangements, policies, procedures, and controls, which indicates that the EU sees sanctions implementation as a governance discipline, not only as a list-checking activity. The acceptability constraint is that the system must remain correctable; otherwise, false positives and unnecessary exclusions become socially embedded.

Over-compliance also creates a strategic downside: it can erode voluntary compliance by making lawful behaviour feel futile or arbitrarily constrained. When households see that doing “the right thing” through regulated channels leads to delay or refusal, they have incentives to seek alternatives, including informal intermediaries and opaque settlement routes. This is a classic enforcement externality: a regime designed to increase control can reduce control if it makes compliant pathways too costly. In this sense, over-compliance is not merely a humanitarian concern; it is a controllability concern that can undermine the sanctions system’s discriminative capacity. The EU’s continued issuance of consolidated FAQs, including a consolidated version dated 23 January 2026, can be read as an institutional attempt to preserve control by reducing ambiguity and making compliance pathways workable. However, the effectiveness of this attempt depends on whether private actors internalise the guidance and whether supervisory expectations reward calibrated decision-making rather than blanket refusal. If supervision rewards only “zero exposure” outcomes, over-compliance will remain rational and persistent. Therefore, acceptability limits require alignment of guidance, supervision, and incentives.

A disciplined way to treat over-compliance in an analytic report is to model it as a measurable phenomenon, even if direct statistics are scarce. The first proxy is the volume and evolution of official guidance, which signals where uncertainty and friction persist, such as the existence of thematic FAQs on banknotes and “best efforts” and the periodic updating of consolidated FAQs. The second proxy is the expansion of supervisory standard-setting, exemplified by the EBA Guidelines with an application date of 30 December 2025, indicating institutionalisation of sanctions compliance governance. The third proxy is litigation and high-salience boundary disputes, which reveal where operational practice and moral intuition conflict, generating reputational stress. While these proxies cannot quantify household refusal rates directly, they can map the direction of regime tightening and the likelihood of frictions becoming structural. This is consistent with 4.1.3: where ideal outcome data is unavailable, the report uses high-quality governance artefacts to avoid purely anecdotal claims. The measurement implication is that monitoring should include “operational friction indicators” alongside legal package counting. This approach also supports forward-looking scenario design in Section 4.4 because governance instruments evolve predictably over time.

Reducing over-compliance without weakening enforcement requires targeted governance interventions that change incentives and increase legal certainty. The first intervention class is *clarification*, delivered through interpretative guidance that reduces ambiguity in common personal-use scenarios and clarifies documentation expectations. The second is *safe operational pathways*, which are practical templates for lawful activity (for instance, for low-risk personal transfers, education payments, or family support) that institutions can rely on without fearing post hoc criticism. The third is *supervisory calibration*, which ensures that regulators assess institutions not only on refusal rates but on discriminative capability, false positive management, and remedy availability. The fourth is *standardised escalation and remedy mechanisms*, enabling households to correct errors and provide additional information without being pushed into informal channels. The Commission’s systematic FAQ publishing and the EBA’s governance standards suggest that the EU already uses instruments in the first and third classes. The acceptability test is whether these instruments are oriented to protect essential civilian interests in practice, not only to prevent breaches. This governance logic is summarised and operationalised in Table 4.3.4-1.

Table 4.3.4-1. Over-compliance and compliance externalities: system drivers, household outcomes, and mitigation levers

Driver of over-compliance	Typical operational behaviour	Household-level externality	Primary legitimacy risk	Mitigation lever (design/governance)	Core EU anchor sources
Legal ambiguity and evolving scope	Conservative interpretation; refusal of borderline cases	Delays/refusals of lawful payments; loss of service continuity	De facto bans without due process	Scenario-based FAQs; clear documentation standards; dissemination	Commission consolidated FAQs (updated versions)
Asymmetric enforcement incentives	“Refuse rather than risk” posture	Broad friction premium; increased uncertainty costs	Perception of collective restriction	Supervisory messaging that rewards precision and error correction	EBA restrictive-measures governance standards
Limited compliance capacity (esp. smaller actors/platforms)	Blanket de-risking; category exclusions	Exclusion of vulnerable groups from lawful channels	Discrimination-like outcomes; informalisation	Safe pathways for low-risk lawful activity; escalation routes	Commission FAQs hub (thematic + consolidated)
Narrow/complex exceptions	Exceptions exist but are unusable in practice	High-salience hardship cases; behavioural avoidance	Reputational damage; moral controversy	Redesign exceptions for operational usability; clear traveller guidance	Banknotes FAQ and boundary clarification
Expanded upstream obligations (“best efforts”)	Group-wide restrictive policies	Indirect service discontinuation; reduced platform access	Scope drift from targeted intent	Couple obligations with precision tools protecting lawful personal activity	Commission “best efforts” FAQ (Art. 8a)

Authorship: analytical framework (this report) was prepared by the author

Sources:

- Commission consolidated version page (publication date 23 January 2026): https://finance.ec.europa.eu/publications/consolidated-version_en
- Commission consolidated FAQs (example edition): https://finance.ec.europa.eu/system/files/2024-01/faqs-sanctions-russia-consolidated_en.pdf
- EBA Guidelines page: <https://www.fma.gv.at/en/eu/eba-guidelines/>
- Commission banknotes FAQ: https://finance.ec.europa.eu/document/download/e13ed807-1fcc-4412-8fb4-702d5f05304d_en?filename=faqs-sanctions-russia-euro-banknotes_en.pdf
- Commission “best efforts” FAQ and page: https://finance.ec.europa.eu/document/download/65560de8-a13a-4a58-a87c-ddd27b14e6c1_en?filename=faqs-sanctions-russia-best-efforts-obligation_en.pdf

It is also important to recognise that some degree of “extra caution” is not avoidable and may be justified, especially under genuine uncertainty about indirect involvement, control structures, and circumvention risks. The goal is not to eliminate caution, but to prevent caution from becoming categorical exclusion by default. In sanctions engineering terms, the objective is to improve the signal-to-noise ratio of compliance systems: block the transactions that should be blocked, while allowing those that should be allowed with predictable procedures. When the regime is new or rapidly evolving, noise tends to be high; as guidance accumulates, noise should decline. The January 2026 consolidated version page signals the EU’s ongoing effort to keep guidance current, which should, in principle, reduce noise. Yet noise can also persist if new obligations, such as “best efforts” introduced in 2024, widen the compliance perimeter faster than institutions can build discriminative models. Therefore, acceptability limits are dynamic: as the compliance perimeter expands, precision instruments must expand too, otherwise over-compliance becomes structural. This is why the report treats governance as a continuous calibration process rather than a one-off fix.

Another structural driver of over-compliance is information asymmetry between customers and institutions. Households often cannot prove negative exposure to sanctions risk beyond providing basic information, and they may not understand what evidence a bank needs to process a transfer. Institutions, in turn, may not be able to explain their internal risk models without compromising controls. This creates a communicative gap in which refusals are experienced as arbitrary and institutions claim necessity. The governance solution is not full transparency of risk models, but *predictable documentation expectations* for common lawful scenarios, which can be standardised through guidance and industry practice. The Commission’s thematic FAQs, such as those on banknotes, provide a template for this type of standardisation by clarifying boundary concepts like “personal use” and the nature of permitted exceptions. A similar template could be applied more broadly to common household transactions in the Russia regime context, using scenario-based guidance. This would reduce the need for ad hoc decision-making and thus reduce variance and arbitrariness. It would also reduce administrative overload by allowing frontline compliance to rely on pre-defined decision paths. In acceptability terms, standardisation is a welfare-protecting instrument because it lowers uncertainty costs and reduces the need for intermediaries.

Provider heterogeneity across member states and sectors also amplifies over-compliance externalities. When one bank or platform refuses broadly while another processes lawful activity, households learn to “shop” for permissiveness, shifting flows rather than removing them. This undermines both fairness and enforcement, because the most conservative providers create hardship while the most permissive providers become magnet channels. EU-level standard-setting is the institutional answer, but standard-setting must balance harmonisation with proportionality, or it risks harmonising toward maximum conservatism. The EBA Guidelines explicitly seek to set common EU standards for governance and controls, and their application date creates a timeline for institutional convergence. In the social sphere, convergence is desirable when it reduces arbitrary variance, but undesirable if it removes operational flexibility needed to accommodate protected interests. Therefore, acceptability limits imply a “harmonise the floor, not the ceiling” approach: define minimum standards for clarity, remedy, and protected pathways, rather than rewarding the broadest refusal posture. This is a governance design problem that can be addressed through supervisory messaging and evaluation criteria. If supervisors reward precision and error correction, institutions have incentives to reduce false positives. If supervisors reward only risk avoidance, institutions will continue to refuse broadly.

Over-compliance is also sensitive to how exceptions are drafted and interpreted. Exceptions that are narrow, ambiguous, or require high evidentiary burdens can be functionally unusable, which effectively converts exceptions into symbolic statements. The banknotes example shows how the boundary of an exception can be legally defined narrowly, producing high-salience hardship cases that then feed legitimacy costs. This does not mean exceptions must always be broad, but it does mean exception design must anticipate predictable high-welfare contexts and provide a workable process. Otherwise, households will either refrain from lawful activity out of fear or shift to opaque alternatives. From an

enforcement perspective, unusable exceptions are also counterproductive because they reduce compliance: people cannot comply with a rule they cannot practically operationalise. This is why Part 4 treats exceptions as part of the system’s “operational ethics”: the ethical claim is tested by accessibility in practice. Governance artefacts such as thematic FAQs can reduce ambiguity, but only if they are disseminated and internalised by frontline decision-makers. Therefore, acceptability limits require not only drafting exceptions but operationalising them through guidance, training, and consistent application.

The interaction between “best efforts” and over-compliance deserves particular attention because it expands responsibility upstream and can create downstream conservatism. Commission FAQs on Article 8a explain how “best efforts” should be read in light of recitals and interpretative detail, including that it involves actions suitable and necessary to ensure non-EU subsidiaries do not undermine sanctions. In corporate governance, this can lead to group-wide policies that restrict transactions or business lines beyond what the EU legal text directly prohibits for EU entities. Those corporate policies can then affect consumers through service discontinuation, reduced product availability, and tightened payment acceptance. The social effect is indirect but real, particularly where large multinational ecosystems set uniform rules for entire regions. The acceptability implication is that upstream governance obligations should be paired with downstream clarity about lawful consumer and household activities, so that group policies do not default to blanket exclusion. Otherwise, “best efforts” becomes an amplifier of over-compliance externalities, widening the gap between legal scope and lived impact. This is not a theoretical concern; it follows from the asymmetry of incentives and from the scaling nature of corporate policy. Therefore, the report treats “best efforts” as a driver that must be managed through precision tools rather than resisted as illegitimate.

The practical acceptability frontier in over-compliance cases is defined by whether essential civilian activities remain possible through compliant pathways. If lawful family support transfers, education payments, or basic living transactions are routinely refused, the regime approaches an unacceptable civilian burden even if legal intent is targeted. This is why Tables 4.3.1-1 and 4.3.2-1 matter: they identify vulnerable groups and protected interests that serve as stress tests. Over-compliance tends to fail these tests because it is insensitive to welfare priorities; it is driven by institutional incentives rather than by normative weighting. Therefore, a regime that seeks ethical sustainability must insert welfare priorities into operational governance, for example by standardising protected pathways and requiring escalation rather than refusal for certain low-risk, high-welfare transaction types. Commission guidance infrastructure demonstrates the institutional capacity to publish and update such standards, as evidenced by the consolidated version updates and thematic FAQs. The missing element in many sanctions contexts is not the ability to issue guidance, but the ability to ensure uniform internalisation and to measure outcomes. This is why 4.5 later proposes monitoring and feedback loops that track not only breaches prevented, but lawful access preserved.

In sanctions engineering terms, over-compliance is a calibration error: the system’s detection threshold is set too low, producing too many false positives relative to true positives. Calibration improves when operators have better definitions, better data, clearer guidance, and incentives aligned to precision rather than blanket avoidance. The EU is moving in this direction through two complementary tracks: interpretative guidance (Commission FAQs) and governance standardisation (EBA Guidelines). The acceptability challenge is to ensure these tracks do not inadvertently converge on a maximally conservative equilibrium. Instead, they should converge on a discriminative equilibrium where lawful activity is processed reliably and prohibited activity is blocked. Achieving this requires explicit supervisory messaging that recognises the social cost of false positives and rewards error-correction mechanisms. It also requires that guidance is scenario-based and practical for frontline use, not only legally accurate. In addition, it requires cross-border coordination so that protected pathways are consistent across member states, reducing route shopping and perceived arbitrariness. These governance themes will be carried into Section 4.4 on prospects and into Section 4.5 on ethically robust measures.

Finally, the acceptability of social sanctions depends on whether the compliance system remains intelligible and predictable to ordinary people. Over-compliance undermines intelligibility because it transforms the rule from a knowable constraint into a probabilistic experience of refusal. Predictability is not merely a comfort; it is a welfare requirement for households managing time-sensitive obligations. The EU's public claim that sanctions are targeted and rule-based must therefore be supported by operational properties: consistent interpretation, usable exceptions, and avenues for remedy. Commission FAQs—especially the consolidated version updated in January 2026—are evidence of institutional effort to improve predictability, but predictability also depends on how private actors translate guidance into policy. The EBA Guidelines indicate the EU's intent to embed sanctions compliance in governance and controls by late 2025, which may reduce variance, but the direction of that variance reduction matters. If variance reduction is achieved through calibrated precision, social costs fall and legitimacy strengthens. If variance reduction is achieved through harmonised conservatism, social costs rise and acceptability limits tighten. This subsection therefore concludes that managing over-compliance is not peripheral; it is the central operational condition for ethical sustainability in social sanctions.

4.3.5. Historical Features Shaping Russian Society (Context for Social-Sanctions Acceptability)

4.3.5.1. Centuries of Feudal Governance: The Formation of Deference to the “Master”

Any analysis that links long-run social formations to contemporary political behaviour must start with a caution against cultural determinism. The proposition here is not that “Russians are inherently deferential”, nor that historical institutions mechanically determine present-day attitudes. Rather, the claim is that centuries-long governance arrangements—especially the intertwining of coercion, dependency, and patronage—created enduring *social grammars* of authority, obligation, and protection that can reappear under new institutional wrappers. In this subsection, “feudal governance” is used as a heuristic label for pre-modern and early modern arrangements of personal rule, estate privilege, and dependency relations, even though historians debate the strict applicability of “feudalism” to Russia and frequently prefer other concepts such as patrimonial monarchy, service state, or bonded labour regimes^{1,2}. The key analytical objective is to explain how a “master-dependent” logic could become socially intelligible and functionally adaptive within the constraints of Russian state formation. A second objective is to show why this logic matters for social-sanctions acceptability: sanctions that increase everyday friction may be interpreted through a paternalist lens in which security and basic predictability are traded for autonomy. Finally, the subsection identifies where the argument is strongest (institutional incentives and social practices) and where it is weakest (claims about uniform national psychology), maintaining the attribution discipline established in 4.1.3.

A central starting point is the historical fusion of sovereignty and property in many interpretations of Muscovite and imperial Russian state development. The “patrimonial state” thesis—most prominently associated with Richard Pipes—argues that the early Russian polity developed in conditions where the ruler's authority was deeply entangled with ownership-like claims over land and subjects, blurring the boundary between governance and proprietary control³. Even scholars who do not fully endorse Pipes's strongest claims accept that the institutional environment of Muscovite rule differed in important respects from many Western European trajectories, especially in the development of autonomous corporate estates and legal protections against the crown. What matters here is the everyday consequence: if authority is experienced as personal and discretionary, dependence on a superior becomes the principal risk-management strategy. In such settings, protection is often secured not by

¹ Halperin, C. J. (2015). *Feudalism in Russia, then and now*. Slavica Petropolitana.

² Stanziani, A. (2008). Serfs, slaves, or wage earners? The legal status of labour in Russia from a comparative perspective (16th to 19th centuries). *Journal of Global History*, 3(2), 183–202.

³ Pipes, R. (1995). *Russia under the old regime* (2nd ed.). New York : Penguin Books.

impersonal rights but by proximity to a patron, a logic that persists across institutional changes. The relevance to deference is therefore structural: it emerges from the rational adaptation of households to insecurity and discretionary power rather than from a timeless preference for submission. This framing allows the analysis to remain compatible with historical complexity while still identifying stable mechanisms.

Serfdom is the most salient institutional context through which a “master” logic can become socially normalised, but it requires careful specification. Russian serfdom was not uniform across the empire and did not encompass all peasants in the same legal form; there were important distinctions among privately owned serfs, state peasants, and other categories administered under different rules¹. Nonetheless, bonded labour relations expanded and became deeply embedded in the agrarian economy, especially from the seventeenth century onward, creating systems in which peasants’ mobility, obligations, and legal status were constrained by landlords and by state authority. This environment created a practical asymmetry: survival depended on access to land and protection from arbitrary coercion, both often mediated by landlords and officials. In such a world, “respect for the master” can be understood as a social technology: outward deference reduces immediate risk, signals compliance, and may secure leniency or patronage. Importantly, the “master” relationship was not only economic; it was also juridical and administrative, since local power could shape taxation, conscription, and dispute resolution. Deference thus becomes less a matter of belief than a matter of safety and predictability.

The concept of “feudalism” itself is contested in Russian historiography, and the contest is analytically useful. Critics of the term argue that Western feudalism’s legal-institutional configuration—vassalage, reciprocal obligations, and decentralised lordship—does not map cleanly onto Russian arrangements, which were heavily shaped by service obligations and the state’s centralising impulse². Comparative labour historians also stress that categories such as “free” and “unfree” labour do not apply straightforwardly across contexts, and that the legal and practical boundaries of “serfdom” in Russia evolved through complex mixtures of statute, local practice, and state building³. For the present report, this debate does not undermine the point; it strengthens it, because it shifts attention from labels to mechanisms. The mechanism is the long-run normalisation of dependency, discretionary authority, and vertical mediation of resources. Whether this is called feudalism, patrimonialism, or a service state matters less than whether the social experience is one in which the individual’s security depends on a superior’s protection. That is precisely the kind of environment in which deference becomes rational and where mistrust of impersonal rights can be historically intelligible.

A further mechanism reinforcing deference is the historical structure of social protection and welfare. Where state capacity for universal welfare provision is limited, and where local institutions are uneven, households rely on patrons—landlords, officials, employers, or later party functionaries—for access to resources, dispute resolution, and informal safety nets. Patronage does not have to be benevolent to be functional: it is often coercive, but it can still be perceived as “the only available protection” in a high-risk environment. Geoffrey Hosking’s analysis of patronage in Russian state history underscores that hierarchical patron–client relations are not incidental; they are recurring modes of political and social exchange⁴. The social psychology that emerges from this environment is ambivalent: deference may coexist with cynicism, private resistance, and moral distance from authority. This duality matters for sanctions: households accustomed to informal mediation may shift quickly to informal workaround ecosystems when formal channels are blocked, not because they reject law per se, but because they do not expect law to be reliably protective.

¹ Bartlett, R. (2003). Serfdom and state power in Imperial Russia. *European History Quarterly*, 33(1), 29–64.

² Halperin, C. J. (2015). *Feudalism in Russia, then and now*. Slavica Petropolitana.

³ Stanziani, A. (2008). Serfs, slaves, or wage earners? The legal status of labour in Russia from a comparative perspective (16th to 19th centuries). *Journal of Global History*, 3(2), 183–202.

⁴ Hosking, G. (2000). Patronage and the Russian state. *The Slavonic and East European Review*, 78(2), 301–320.

The 1861 emancipation of the serfs is often misread as a clean institutional break, but it also shows how dependency can persist through redesigned obligations. The Emancipation Manifesto ended legal serfdom, yet the reform design included complex arrangements such as redemption payments and land allotment structures that continued to bind peasant households into constrained economic realities for decades¹. The state's attempt to modernise was therefore mediated through compromises among nobles, bureaucrats, and peasant communities, and the post-emancipation countryside retained high levels of administrative intervention and vulnerability. From a social-formation perspective, this is crucial: formal freedom did not automatically create impersonal autonomy. Instead, households continued to operate in a world of constrained choice, administrative dependence, and local power asymmetries. The “master” logic can therefore survive emancipation not as a legal status, but as a social expectation about how protection and resources are accessed. This is one reason why long-run institutional legacies can shape contemporary patterns of deference even after major reforms.

It is also essential to recognise that “respect to the master” was historically produced not only by landlords, but by the state's broader coercive apparatus. Conscription, taxation, policing, and administrative controls created a landscape where the state's reach—directly or through local intermediaries—could be experienced as intrusive and discretionary. Under such conditions, deference is often less a moral endorsement than a conflict-avoidance strategy. The interaction between state power and local elites created layered authority: individuals navigated between landlord authority, bureaucratic demands, and communal pressures. This multi-layered governance can foster a perception that “one must have a protector” because rules are not always stable and enforcement may be arbitrary. Importantly, this does not imply passivity; it implies strategic accommodation and the use of informal networks. For sanctions analysis, this helps explain why social measures that increase friction can amplify reliance on intermediaries and informal brokers, because informal mediation is a historically familiar adaptation to constrained formal pathways.

Religious and cultural narratives also interacted with governance structures, but they should be handled cautiously. The Orthodox tradition has sometimes been interpreted as emphasising obedience and communal endurance, yet such interpretations can easily become caricatures. The more robust claim is institutional: where church structures and state authority are intertwined, moral legitimacy can be symbolically aligned with hierarchical authority, reinforcing the social acceptability of vertical order. Even when people privately dissent, public compliance can be framed as moral duty or as social normality. This is relevant for sanctions insofar as sanctions seek to create social pressure: if social experience is habituated to vertical authority and endurance, external pressure via hardship may not translate into the intended political mechanism. That does not mean pressure is ineffective; it means its transmission is mediated by deep social scripts of endurance and protection-seeking, which can redirect blame and reshape interpretation. Therefore, policy evaluation must avoid simplistic expectations that social discomfort automatically yields political change.

The legacy of dependency also shaped elite formation and bureaucratic culture, reinforcing the role of personal ties over impersonal rules. Patronage networks can stabilise governance when formal institutions are weak, but they also perpetuate arbitrariness and dependence. Hosking argues that patronage has been a persistent feature of Russian political exchange across different regimes, suggesting that vertical mediation can survive ideological shifts². In social terms, this encourages citizens to treat formal rules as insufficient and to seek relational solutions—contacts, patrons, intermediaries—to solve practical problems. In the sanctions' context, this is directly relevant: when formal channels become restricted (payments, services, mobility), the social skill set of “finding an intermediary” becomes valuable. This can reduce the transparency of transactions and make sanctions enforcement harder to discriminate between legitimate adaptation and prohibited circumvention. Thus,

¹ Encyclopaedia Britannica. (2026). *Emancipation Manifesto*.

² Hosking, G. (2000). Patronage and the Russian state. *The Slavonic and East European Review*, 78(2), 301–320.

the same historical legacy that supports deference also supports workaround culture, which is a key constraint on the long-run controllability of social sanctions.

A balanced analysis must also account for countervailing tendencies: Russian history contains strong traditions of communal self-organisation, local solidarity, and episodic resistance. Deference to a master was never total; it coexisted with peasant community norms, bargaining, evasion, and sometimes rebellion. That complexity matters because it prevents the argument from collapsing into determinism. The “master” logic is best understood as a *dominant survival grammar* under specific constraints, not as an immutable national character. In modern contexts, the same individual can exhibit deference in one setting and resistance in another, depending on perceived risk and available collective protection. For sanctions, this implies heterogeneity of response: some groups may interpret restrictions as illegitimate and resist, while others may prioritise stability and accept constraints as the cost of protection. The distributional mapping in 4.3.1 remains essential precisely because response is not uniform.

This historical framing has two direct implications for sanction acceptability thresholds. First, where societies have long experience with discretionary authority and weak legal remedies, people may assign high value to predictability and protection even at the cost of autonomy. Social sanctions that increase unpredictability may therefore produce welfare losses that do not translate into political pressure, because the social demand becomes “restore stability”, which can legitimise strong authority claims rather than undermine them. Second, social sanctions that restrict access to consumer and financial pathways can encourage reliance on patronage-like intermediaries, reinforcing the very vertical mediation structures that sanctions might hope to weaken. These mechanisms do not negate sanctions’ strategic objectives, but they raise the bar for claims about social pressure effectiveness. They also strengthen the case for ethically robust design: protected channels, clarity, and reduction of over-compliance become essential not only morally, but strategically, because they prevent the system from breeding informal dependency. In other words, if sanctions inadvertently deepen reliance on patrons and intermediaries, they may worsen long-run social outcomes while weakening enforcement clarity.

To keep these mechanisms explicit, Table 4.3.5.1-1 maps historical institutional features to plausible contemporary behavioural adaptations without asserting linear causation. The table is not a psychological diagnosis; it is a mechanism guide for policy design. It clarifies why household-level friction can be socially interpreted through “protection-seeking” and why informal mediation can become the default response to formal constraints. It also identifies where policy levers exist: communication, protected channels, and governance of over-compliance can reduce the incentive to retreat into opaque, patronage-like pathways. This is aligned with the report’s broader sanctions-engineering approach: identify system feedbacks and design to manage them.

Table 4.3.5.1-1. Historical “master-dependency” mechanisms and plausible contemporary sanctions-relevant adaptations

Historical institutional feature	Social mechanism (historical)	Plausible contemporary adaptation under social sanctions	Implication for acceptability and policy design
Bonded labour / constrained mobility	Security via compliance; risk reduction through deference	Preference for predictability; acceptance of high-friction constraints as “normal” if framed as protection	Avoid designing social pressure purely via hardship; preserve predictable protected channels
Patrimonial/ discretionary authority narratives	Weak boundary between rule and personal power	Low expectation of remedy; reliance on intermediaries to navigate constraints	Remedy/clarity are legitimacy stabilisers; reduce over-compliance to prevent opaque gatekeeping
Patronage / clientelism in governance	Access to resources through vertical mediation	Growth of intermediaries (brokers) for travel, payments, procurement	Over-compliance and ambiguity expand informalisation; governance should protect lawful pathways

Authorship: analytical framework (this report) was prepared by the author (mechanism-based mapping; not a deterministic causality claim)

Finally, a methodological warning is warranted: historical narratives can easily become politicised, and policy analysis must avoid essentialising a society in ways that become self-justifying for harsh measures. The point of this subsection is to increase analytical realism about the social transmission of sanctions, not to normalise civilian harm or to imply cultural inferiority. Long-run institutional legacies are real, but they operate through mechanisms that are conditional, heterogeneous, and often reversible under sustained institutional development. For sanctions policy, the practical takeaway is that measures that increase hardship without preserving predictability and protected pathways may be especially prone to backfire in societies where authority is historically associated with protection. Therefore, acceptability thresholds and ethical robustness are not optional constraints; they are central to designing social measures that do not inadvertently strengthen paternalist legitimacy narratives.

Taken together, centuries of dependency relations—whether labelled feudal, patrimonial, or bonded-labour regimes—help explain why a “master–protection” logic can remain socially intelligible. This logic can manifest as deference, not necessarily as admiration, but as risk management under conditions of uncertainty and discretionary enforcement. In modern Russia, these legacies interact with new institutions rather than replacing them, and they can influence how social sanctions are interpreted and adapted to. For the purposes of this report, the conclusion is operational: social sanctions should not be expected to work primarily via diffuse hardship; they should be designed with precision, protected channels, and governance clarity to avoid reinforcing informal dependency and the search for protective authority.

4.3.5.2. Drive for Unity around a Leader: The Search for Protection in Strong Authority

The proposition that parts of Russian society demonstrate a recurrent *drive for unity around a leader* should be treated as a structural hypothesis about risk management, not as a cultural stereotype. “Unity” here refers to a social preference for *political consolidation* under a visible centre of decision-making when uncertainty is high and when alternative mechanisms of coordination are distrusted. In this interpretation, a “strong leader” is valued less as an object of admiration and more as an instrument that promises order, predictability, and protection against external and internal threats. This helps avoid an overly psychological reading of authority and instead locates the mechanism in collective-action problems: where trust in institutions and horizontal coordination is weak, vertical coordination becomes the cheaper solution. Comparative political science on post-Soviet Eurasia has described “patronal” equilibria in which personal networks and central arbitration dominate, making leader-centred coordination a rational default under institutional fragility^{1,2}. This structural reading is directly relevant for social-sanctions analysis because it implies that external pressure that increases uncertainty may not translate into the intended “societal pressure” mechanism. Instead, it can increase the perceived value of centralised protection and intensify the demand for a decisive leader, particularly when the public expects that only central authority can secure stability. Therefore, the section’s aim is not to claim inevitability, but to clarify why a leader-centred unity script can be socially adaptive and thus persist across eras.

A useful analytical entry point is the interaction between uncertainty, distrust, and coordination. In environments where legal remedies are perceived as slow, partial, or inconsistent, citizens face incentives to prioritise outcomes (security, stability, access) over procedural pluralism. Under such conditions, political competition and decentralisation can be socially interpreted as sources of disorder rather than as safeguards. This is not uniquely Russian, but Russian historical experience includes repeated episodes of systemic rupture and state reconstitution that may heighten the salience of “order-first” preferences. The key mechanism is an everyday calculus: if one expects rules to be contingent and

¹ Hale, H. E. (2015). *Patronal politics: Eurasian regime dynamics in comparative perspective*. Cambridge University Press.

² Hale, H. E. (2017). Russian patronal politics beyond Putin. *Daedalus*, 146(2), 30–40.

enforcement to be discretionary, then central power becomes the perceived guarantor of coherence. This does not imply that people love central power; it implies that they fear fragmentation more. Survey-based materials discussed below show that beliefs about the need for a “strong hand” have been measurable in Russian public opinion for decades, indicating that the script is not merely an elite projection¹. The resulting social contract is frequently paternalist: citizens concede autonomy in exchange for protection, and the leader becomes the symbolic locus of that exchange. This paternalism is especially relevant in interpreting why hardship can be reframed as a necessary price for security.

Historical-political symbolism has also played a role in embedding leader-centred unity narratives. Wortman’s analysis of Russian monarchy emphasises how imperial rule developed “scenarios of power” that staged the monarch as an embodiment of the state and nation, using ceremony and myth to fuse the person of the ruler with the idea of political order². The point for this report is not to claim direct continuity from tsarist coronations to modern media politics, but to note the durable political logic of personification: when the ruler is staged as the state, loyalty becomes framed as loyalty to the collective, and dissent can be framed as disunity. Such representational practices lower the cognitive cost of unity because they offer a single focal point for coordination and meaning. In settings where institutions are distrusted or seen as captured, personification can also appear more “honest” than institutional rhetoric: people may distrust parties but believe in a strong figure. This logic can survive regime changes because it is not tied to a particular ideology; it is tied to a coordination form. That is consistent with the patronal-politics framework, which treats leader-centred coordination as a recurring equilibrium where networks need a central arbiter³. The implication is that unity scripts can be reproduced through new symbols and technologies without requiring the same institutions.

The empirical relevance of a “strong hand” narrative is observable in public opinion datasets. The Levada Center’s annual compilation of Russian public opinion includes a long-running item on whether “Russians cannot do without autocratic leaders, a ‘powerful hand’ that can lead them,” showing substantial shares agreeing with the statement⁴. This is not proof of deep psychological preference; it is evidence of a widely available belief that can be activated under stress. Political culture research also notes that many citizens prioritise “order” and a ruler with a “strong hand”, while showing limited interest in opposition politics, which fits the coordination and risk-management interpretation⁵. Such findings matter for sanctions because sanctions often rely partly on the assumption that social strain will translate into political pressure. If a significant segment interprets strain as evidence that “we need stronger authority,” then the behavioural effect of strain is ambiguous and may strengthen rather than weaken leader legitimacy. The critical methodological point is that these survey items do not determine outcomes; they reveal the availability of an interpretive frame. Under crisis conditions, frames matter because they shape how people assign blame, evaluate trade-offs, and decide whether change is worth the risk. In other words, leader-centred unity can be a stable cognitive shortcut in uncertain environments.

The “search for protection” component of this script is crucial. When threats are framed as existential—external aggression, sabotage, destabilisation—citizens may accept exceptional constraints as protective measures, especially if they doubt that pluralistic institutions can respond quickly. The EU’s social sanctions can inadvertently contribute to this perception if they are experienced as diffuse restrictions rather than as precise targeting. If a citizen experiences banking refusals, mobility uncertainty, or service discontinuation, it can be easier to interpret the problem as “the world is hostile” than as “the government is accountable,” particularly if domestic media and social narratives channel

¹ Levada Center. (2009). *Russian public opinion: March 2008 – March 2009* (Annual). Levada Analytical Center. https://www.levada.ru/sites/default/files/levada_2008_eng.pdf

² Wortman, R. S. (2000). *Scenarios of power: Myth and ceremony in Russian monarchy* (Vol. 1). Princeton University Press.

³ Hale, H. E. (2015). *Patronal politics: Eurasian regime dynamics in comparative perspective*. Cambridge University Press.

⁴ Levada Center. (2009). *Russian public opinion: March 2008 – March 2009* (Annual). Levada Analytical Center. https://www.levada.ru/sites/default/files/levada_2008_eng.pdf

⁵ Carnaghan, E. (2012). *Russian Analytical Digest No. 117: Political culture and public opinion* (pp. 2–5). ETH Zürich / Centre for Security Studies.

blame outward. This is one reason that social sanctions face unusually high legitimacy risks: their household-level salience creates narrative opportunities for “rallying” frames. Sanctions scholarship on “backfire” mechanisms has emphasised that sanctions can sometimes increase regime support when they are framed as external hostility and when domestic control over information is strong (for conceptual discussion, see broader sanctions literature; the report remains cautious about causal claims here). The key is not to assume backfire, but to recognise the conditions under which leader-centred unity becomes an adaptive response. Those conditions include uncertainty, fear of disorder, and perceived absence of credible alternatives. Therefore, acceptability design in the EU context should avoid measures that are easily framed as collective punishment, because that framing is precisely what activates unity scripts.

Leader-centred unity also relates to the structure of political participation and expectations about agency. In patronal systems, as Hale argues, collective action often occurs through personalised rewards and punishments, and coordination tends to revolve around networks rather than rule-bound institutions¹. Where that pattern is socially understood, people may not expect ordinary civic participation to change outcomes; instead, they may expect outcomes to depend on relationships and central decisions. This lowers the perceived efficacy of protest or opposition and increases the perceived rationality of alignment with the centre. In such contexts, unity around the leader can be interpreted as a form of self-protection: being “with the centre” reduces risk and uncertainty. That does not mean people are ideologically committed; it means alignment is an insurance strategy. The social implication is a dual attitude: private scepticism can coexist with public conformity. For sanctions, this is important because sanctions that raise everyday risks can shift more people into public conformity even if private dissatisfaction rises. Thus, using hardship as a pressure mechanism can be strategically noisy: it may increase dissatisfaction but also increase conformity.

The memory of disorder and systemic breakdown is often treated as a driver of “order-first” preferences. Russia’s twentieth-century trajectory included revolution, civil war, forced collectivisation, war mobilisation, and repeated episodes of violent coercion, while the late Soviet and post-Soviet period included economic upheaval and institutional uncertainty. While this subsection does not attempt to adjudicate every historical debate, it notes that repeated rupture can raise the social value of stability. Political culture materials and survey discussions frequently interpret the “strong hand” preference as partly rooted in perceived insecurity and dissatisfaction with conditions (see also related scholarly work on “strong leader” beliefs)². The relevance to sanctions is the following: if a population’s baseline preference under uncertainty is to reduce political risk, then external pressure can produce an “order premium,” increasing acceptance of a centralised leader. This is a constraint on the assumption that social discomfort necessarily produces liberalisation pressure. It also suggests that the effectiveness of social sanctions depends heavily on whether they are interpreted as targeted and controllable or as indiscriminate and destabilising. In other words, sanctions design interacts with domestic political psychology through the channel of perceived stability.

Another mechanism is the historical weakness of autonomous intermediary institutions that can mediate between state and society. When unions, professional associations, courts, and local governance are perceived as weak, citizens may expect the leader to act as the primary problem-solver. Even in contexts where formal institutions exist, the practical expectation may be that outcomes depend on central intervention. This expectation is reinforced when media narratives portray the leader as personally responsible for achievements and personally intervening in crises. Wortman’s framework helps interpret how personalisation of rule can be sustained by representational practices, though modern instruments of personalisation differ in technology and scale³. The social consequence is an attribution pattern: credit and blame become leader-centred, while institutional accountability

¹ Hale, H. E. (2017). Russian patronal politics beyond Putin. *Daedalus*, 146(2), 30–40.

² Carnaghan, E. (2012). *Russian Analytical Digest No. 117: Political culture and public opinion* (pp. 2–5). ETH Zürich / Centre for Security Studies.

³ Wortman, R. S. (2000). *Scenarios of power: Myth and ceremony in Russian monarchy* (Vol. 1). Princeton University Press.

weakens. This pattern can distort how sanctions are interpreted: external measures may be framed as an attack on the leader-and-nation unity, rather than as a constraint on specific enabling structures. That framing can increase solidarity around the centre. Therefore, sanctions that seek to exploit “societal pressure” must be attentive to the risk that pressure translates into leader-centred solidarity rather than into leader-centred blame.

The drive for unity also interacts with identity formation and the perceived boundaries of the political community. When political discourse emphasises unity against external threat, dissent can be framed as betrayal, and social pressure within communities can enforce conformity. This is a cohesion mechanism that can be activated under sanctions: external restriction can increase inward conformity. The report does not claim that this always happens; it claims that the mechanism is plausible and historically intelligible. It is also consistent with the observation that sanctions can create stigma environments that complicate diaspora relations and internal cohesion, as discussed earlier in 4.3.3. When identity is securitised, even neutral personal activities—travel, transfers, cross-border ties—can be reinterpreted as suspicious. This can increase social costs for vulnerable groups (students, mixed families, civil society actors) and reduce the openness of the social environment. From the EU perspective, such outcomes weaken the ethical sustainability of social sanctions and can undermine long-run strategic objectives that rely on societal openness. Therefore, a leader-unity script is not only a domestic variable; it becomes a constraint on external policy design.

It is essential to distinguish leader-centred unity from genuine trust. A society may rally around a leader as a coordination focal point even while distrust remains high and cynicism is widespread. Patronal equilibria can sustain coordination by making defection costly and compliance rewarding, rather than by producing normative consent¹. This matters for interpreting apparent stability: stability may reflect risk management rather than satisfaction. For sanctions, this has two consequences. First, hardship might raise private dissatisfaction without producing public pressure, because public pressure is risky and coordination is hard. Second, elites may misread public conformity as genuine support and thereby overestimate the effectiveness of unity narratives. The report does not attempt to quantify these effects, but it uses the mechanism to caution against simplistic readings of social pressure. If the goal is to weaken enabling structures, policy should focus on those structures rather than on inducing diffuse hardship. Where social measures are used, they should be precise and accompanied by protected channels, to reduce the ability of unity narratives to portray the EU as hostile to ordinary people.

The “strong leader” belief is also not static; it varies across cohorts and conditions. Research on strong leader myths in Russian public opinion has analysed how support for a leader with a “strong hand” relates to dissatisfaction, nationalism, education, and political socialisation (see, e.g., peer-reviewed research summarised in academic outlets). The key point for this report is not the exact coefficients but the conceptual implication: the preference is contingent and can be activated by fear and insecurity. That means sanctions design can influence activation probabilities: indiscriminate friction may activate unity scripts more than precise targeting. This is the policy-relevant conclusion: social sanctions that are poorly targeted risk strengthening the very political consolidation they aim to disrupt. Conversely, social measures that preserve protected channels and reduce arbitrariness can weaken the plausibility of hostile narratives and keep the social meaning closer to “targeted accountability” rather than “collective threat.”

Leader-centred unity is also supported by the social function of *blame externalisation*. In environments where the leader is framed as protector, negative outcomes can be attributed to external enemies and hostile encirclement. Sanctions can be interpreted as proof of that encirclement, which reinforces the protective role. This is particularly relevant when sanctions affect everyday life, because everyday hardship is the raw material of narrative mobilisation. The report’s earlier discussion of cohesion effects is directly connected: perceived collective restriction increases the credibility of external-hostility frames. Therefore, sanction acceptability is not only a moral constraint. It is a strategic constraint,

¹ Hale, H. E. (2015). *Patronal politics: Eurasian regime dynamics in comparative perspective*. Cambridge University Press.

because perceived unfairness can strengthen domestic unity around the leader. This is why the EU's public emphasis on targeted sanctions is important but insufficient—operational effects must match the narrative. If operational effects contradict the targeted narrative, the domestic unity script gains material evidence. Accordingly, governance levers that reduce over-compliance and protect essential pathways are central to both ethics and strategy.

The relevance to sanctions engineering can be expressed as a simple interaction: external friction × domestic protection script → cohesion outcome. When external friction is high and domestic scripts emphasise protection through unity, cohesion around the leader can strengthen. When external friction is precisely targeted and accompanied by visible protected channels, it becomes harder to represent the external actor as punishing ordinary people. This interaction is summarised in Table 4.3.5.2-1, which maps the unity script's mechanisms to the likely interpretation of sanctions outcomes and suggests policy design implications.

Table 4.3.5.2-1. Leader-centred unity mechanisms and sanctions-relevant implications (mechanism mapping)

Mechanism supporting unity around a leader	How it shapes interpretation of hardship	Likely behavioural adaptation under social sanctions	Implication for EU sanctions acceptability design
Order-first preference under uncertainty	Hardship framed as “price of security”	Higher tolerance for friction if framed as external threat	Avoid indiscriminate friction; preserve predictable protected channels
Patronal coordination (personal networks + central arbiter)	Institutions distrusted; leader seen as effective coordinator	Reliance on intermediaries, brokers, and informal pathways	Reduce over-compliance; provide clear lawful pathways to prevent informalisation
Personification of statehood (leader-as-state)	External pressure framed as attack on collective	“Rally” effects; social conformity	Align operational effects with targeted narrative; avoid collective-effect signals
Low expectation of remedy	Refusals seen as fate, not contestable	Reduced civic pushback; increased private adaptation	Add transparency, escalation routes, and error-correction for compliance-mediated refusals

Authorship: analytical framework (this report) was prepared by the author (mechanism-based mapping; non-deterministic)

The table does not claim determinism; it provides a structured way to anticipate narrative and behavioural responses under different sanctions profiles. It also links back to the threshold matrix in Table 4.3.2-1 by specifying why protected channels are particularly important when unity scripts are strong. In practical terms, if the EU wants social sanctions to avoid backfire, it must ensure that the social meaning of measures remains aligned with responsibility and not with collective threat.

A further implication concerns the difference between *short-run mobilisation* and *long-run legitimacy*. Unity scripts can deliver rapid consolidation in crisis, but they can also create long-run institutional brittleness if they substitute personal rule for institutional capacity. In such environments, external pressure can accelerate consolidation, but it may also accelerate repression and reduce civil society space, as external threat narratives justify tighter controls. Contemporary journalism and expert commentary have described the post-2022 period as associated with deeper authoritarianism and repression, though this report treats journalistic sources as context rather than as definitive causal proof (e.g., press reporting from 2026). The policy relevance is that social sanctions can interact with domestic tightening in ways that shrink the social space needed for long-term societal change. This is another reason the report emphasises ethical robustness: keeping protected channels for education, family, and civil society is not merely humanitarian; it preserves long-run social connectivity that may be strategically valuable. A sanctions regime that erodes all connectivity may consolidate the leader

narrative while reducing future leverage. Therefore, unity scripts strengthen the case for selective design rather than maximalist social restriction.

The acceptability analysis thus yields a sober conclusion: if a significant segment of society is disposed to seek protection in strong authority during uncertainty, then social sanctions must be designed to avoid amplifying uncertainty and collective-effect perceptions. That conclusion does not imply that social sanctions are always counterproductive; it implies they must be deployed with discrimination and governance discipline. The EU has governance instruments that can serve this purpose: clear guidance, harmonised exceptions, and supervisory calibration to reduce arbitrary refusals. Yet governance must be oriented not only to compliance but to social meaning. If citizens experience the sanctions regime as arbitrary, they are more likely to accept a domestic bargain of reduced autonomy for stability. If they experience it as targeted and rule-based, the unity script becomes less compelling. Therefore, historical and sociological context is not a narrative add-on; it is a design variable in sanctions engineering.

A final caution is to resist treating leader-centred unity as an exclusively Russian phenomenon. Many societies under threat exhibit rally effects, and the balance between order and liberty can shift under perceived insecurity. The distinctive issue in Russia is the interaction of unity scripts with historically entrenched patronal coordination forms and with weak institutional trust. That interaction can make unity scripts more resilient and more easily activated, which changes the effectiveness calculus of civilian-facing pressure. For the EU, this suggests a preference for measures that clearly discriminate targets and maintain essential social pathways. In particular, reducing over-compliance in retail finance and maintaining predictable exceptions in mobility are key, because these are the domains where ordinary citizens most directly experience the sanctions system. In effect, policy should avoid manufacturing “proof” for protection narratives.

4.3.5.3. Rigid Social Hierarchy: From the Era of Principalities through the Soviet System

A rigid social hierarchy is best analysed as an institutional pattern—a durable way of organising authority, status, and access to resources—rather than as a single “Russian trait”. The historical claim is not that hierarchy was unique to Russia, but that across multiple regime types it remained structurally central to governance and everyday life, often taking legally codified forms. The relevance to this report’s sanctions analysis is straightforward: where hierarchy is socially normalised, external pressure that increases uncertainty can be reinterpreted through vertical logics of protection, obedience, and “order-first” preferences. In such settings, social adaptation tends to occur via status navigation (finding patrons, intermediaries, privileged channels), which can reduce the directness of “societal pressure” mechanisms. The subsection therefore links the historical architecture of hierarchy to the contemporary problem of sanction acceptability: when households are habituated to vertical mediation, diffuse hardship may not generate the intended political leverage. Instead, hardship can legitimise stronger central control or intensify reliance on intermediaries, which is a governance externality. The goal is not to “psychoanalyse” a nation, but to map institutional continuity in the organisation of status and access, and to show where this matters for policy design^{1,2}.

In the era of early principalities and Muscovite consolidation, hierarchy was reinforced by a political economy of security in which coercion, tribute, and service obligations structured everyday dependence. Historical debates differ on the weight of Mongol-era legacies versus internal Muscovite dynamics, yet a common observation is that political consolidation increased the salience of service, loyalty, and vertical obligation as modes of governance. Under conditions of weak impersonal enforcement and high external threat, individuals and communities often sought security through vertical relations rather than through stable legal rights. This does not require “feudalism” as a label. It requires recognition that rights were often contingent and status-dependent. What is relevant for sanctions is the social learning embedded in such environments: when uncertainty rises, the rational

¹ Mironov, B. N. (2000). *The social history of Imperial Russia, 1700–1917* (Vols. 1–2). Westview Press.

² Confino, M. (2008). The *soslovie* (estate) paradigm. *Cahiers du Monde russe*, 49, 681–704.
<https://doi.org/10.4000/monderusse.9502>

strategy is to find protection within a hierarchy rather than to confront it. This helps explain why “pressure via hardship” can be politically noisy: hardship may activate vertical dependence rather than horizontal mobilisation. The report treats this as a contextual constraint, not as a deterministic law^{1,2}.

By the 18th and 19th centuries, hierarchy in the Russian Empire became more explicitly codified through “estate” (soslovie) structures that organised legal status, obligations, and privilege. The soslovie paradigm captured a world in which rights and duties were allocated through legally recognised social categories rather than through universal citizenship. Confino’s discussion of the “estate paradigm” is valuable here because it shows how estate categories structured not only identity but administrative practice, documentation, and access to state institutions³. The sociological significance is that hierarchy became legible and reproducible through paperwork, titles, and administrative classification. That administrative legibility strengthened hierarchy’s durability: if one’s social position is a bureaucratic fact, it becomes hard to escape without state-sanctioned transitions. Such systems teach households to think in status terms and to treat access as mediated through category and patronage. For sanctions analysis, the implication is that status mediation is a deeply familiar adaptation strategy: when formal channels tighten, people search for category-based exemptions and privileged routes rather than demand horizontal rights⁴.

A pivotal instrument in imperial hierarchy was Peter the Great’s Table of Ranks (1722), which reorganised service and status by linking advancement to state service while simultaneously reinforcing a graded, bureaucratically administered order. The Table of Ranks is often interpreted as both modernising and hierarchical: it created formal ladders of promotion yet embedded social life in a system where rank determined honour, privilege, and access. Studies of the Table of Ranks emphasise its role in shaping the composition and functioning of the bureaucracy and in turning service into a key mechanism of status mobility within a strictly ranked order^{5,6}. At the level of social formation, the table’s significance is not merely technical; it normalised the idea that “place” in society is a state-certified ranking. Even mobility, where it existed, was mobility *within* a hierarchy rather than a move toward universal equality. This matters for modern sanction dynamics because it reinforces a long-run pattern: access is secured through position and certification, and people learn to navigate systems through ranks, privileges, and administrative recognition. When sanctions create frictions, such social learning can intensify demand for “privileged pathways”, intermediaries, and formal categorisations that mimic rank-based access⁷.

Serfdom and its administration deepened the practical experience of hierarchy by constraining mobility, reinforcing dependence, and embedding vertical authority in local life. Even though Russian serfdom differed across regions and categories, its general effect was to fuse economic survival with legal status and landlord–state authority. The everyday social consequence was an environment where negotiation and survival often depended on access to a patron and on strategic deference, as discussed in 4.3.5.1. Yet hierarchy was not only landlord-driven; it was also state-driven through taxation, conscription, policing, and administrative oversight. This layered hierarchy taught a pragmatic lesson: rights are conditional, and stability is secured through vertical relationships. After 1861, emancipation ended legal serfdom but did not dissolve hierarchy; many reforms created new forms of constraint and dependency through economic obligations and administrative controls, meaning social stratification remained strong and legible⁸. In sanctions terms, this history supports a cautious view of “pressure through

¹ Halperin, C. J. (2015). Feudalism in Russia, then and now. *Slavica Petropolitana*.

² Pipes, R. (1995). *Russia under the old regime* (2nd ed.). New York: Penguin Books.

³ Confino, M. (2008). The soslovie (estate) paradigm. *Cahiers du Monde russe*, 49, 681–704. <https://doi.org/10.4000/monderusse.9502>

⁴ Mironov, B. N. (2000). *The social history of Imperial Russia, 1700–1917* (Vols. 1–2). Westview Press.

⁵ Segrillo, A. (2016). *A first complete translation into English of Peter the Great’s 1722 Table of Ranks: Observations on the Occurrence of a Black Hole in the Translation of Russian Historical Documents*. University of Sao Paulo.

⁶ Lvov, A. V. (2022). Table of Ranks of 1722 and the evolution of promotion in rank in the 18th century. *Law Bulletin of MGPU* 3(47). <https://doi.org/10.25688/2076-9113.2022.47.3.04>

⁷ Mironov, B. N. (2000). *The social history of Imperial Russia, 1700–1917* (Vols. 1–2). Westview Press.

⁸ Encyclopaedia Britannica. (2026). *Emancipation Manifesto*.

hardship”: if hardship is historically normalised and mediated through vertical structures, it may not produce the intended political signals. It may instead re-legitimate coercive order as protection.

The late imperial period also illustrates how hierarchy interacted with emerging modernity: industrialisation created new urban strata, yet state authority and estate legacies continued to structure rights and status. The coexistence of old categories and new economic roles often produced a complex stratification regime rather than a clean transition to class-based politics. Mironov’s social history work is useful because it documents how imperial society combined formal estate categories with changing social mobility patterns and bureaucratic categorisation¹. The key point for this report is that hierarchy remained a governing principle even as social composition shifted: access to education, service careers, and legal protections remained unequally distributed. This kind of stratification can produce ambivalent modernisation: people adopt modern economic roles while remaining habituated to vertical authority and category-based access. In contemporary terms, this ambivalence is visible in how citizens may engage with global markets while expecting political solutions to come from the top. Under sanctions, such expectations can shape responses: rather than mobilising horizontally, households may seek vertical solutions—state support, privileged channels, or patronage-like intermediaries. That is a critical constraint for the social-sanctions mechanism that assumes hardship leads to pressure “upward”.

The Soviet period appears at first glance to be a radical break, yet in the organisation of social hierarchy it often reproduced vertical stratification under new ideological language. The formal Soviet claim was classless equality, yet Soviet governance created hierarchies of access, privilege, and administrative status that were often more tightly managed than in many liberal systems. One of the most analytically useful insights is that Soviet social position was frequently tied to relationship with the state—through workplace, party membership, and access to distribution channels—making hierarchy administratively actionable rather than merely cultural². The core mechanism was the linkage between loyalty, classification, and access: those closer to state and party structures could access better housing, consumer goods, education pathways, and career opportunities. In such a system, hierarchy is experienced not only as prestige but as a material distribution regime. This is relevant for sanctions because it normalises the idea that hardship and scarcity are managed through vertical systems—queues, allocations, special access—rather than through open market competition. When sanctions increase friction, the social imagination may respond by seeking “special access” rather than systemic change.

A key Soviet instrument of hierarchy was the nomenklatura system, through which the party apparatus controlled appointments to a vast range of posts, thereby structuring elite reproduction and loyalty. Rigby’s classic analysis explains the nomenklatura as a mechanism of party control over personnel, which created a distinctive “administrative elite” with privileged access and political leverage³. Later scholarship, including Lewin’s work on post-war reconstruction of the nomenklatura, emphasises that it was not a static monolith but a system that evolved and was rebuilt, especially after crises⁴. Voslensky’s well-known account frames nomenklatura as a ruling stratum, highlighting privileges and patterns of elite insulation⁵. While these works differ in tone and emphasis, they converge on the central point: Soviet society was structured by a managed hierarchy in which political loyalty and administrative status generated material and symbolic advantages. For sanctions analysis, the mechanism matters more than the moral judgement: a society with long experience of administrative hierarchies may adapt to external constraints by intensifying internal hierarchy rather than by opening. That can make social sanctions ethically sensitive and strategically ambiguous.

¹ Mironov, B. N. (2000). *The social history of Imperial Russia, 1700–1917* (Vols. 1–2). Westview Press.

² Fitzpatrick, S. (1999). *Everyday Stalinism: Ordinary life in extraordinary times: Soviet Russia in the 1930s*. Oxford University Press.

³ Rigby, T. H. (1988). The origins of the nomenklatura system. *Studies in Comparative Communism*, 40(4), 523–537.

⁴ Lewin, M. (2003). Rebuilding the Soviet nomenklatura, 1945–1948. *Cahiers du Monde russe*, 44, 219–252.

<https://doi.org/10.4000/monderusse.8608>

⁵ Voslensky, M. S. (1984). *Nomenklatura: The Soviet ruling class*. Doubleday.

Fitzpatrick’s analysis of everyday life in the 1930s also highlights how Soviet systems created “status” categories and practical inequalities in access to passports, housing, and essential goods. A striking example is the way identity documentation and mobility rights were unequally distributed, reinforcing hierarchies between urban residents and kolkhoz peasants¹. This is relevant because it shows that hierarchy was not only elite privilege; it was also mass administration that defined who had mobility and who did not. The Soviet state thus produced a social grammar in which access was regulated by administrative classification, and people learned to manage life through documentation and connections. Under sanctions, similar patterns can arise: those with better documentation, stronger institutional ties, and higher “administrative capital” can navigate restrictions more effectively. The sanctions regime’s compliance layer (banks, platforms, border controls) can unintentionally replicate this dynamic by making lawful access contingent on documentation capacity and institutional trust. Hence, the acceptability frontier is influenced by historical normalisation of stratified access. Social sanctions that rely on friction can disproportionately harm those with the least administrative capacity, reinforcing inequality and undermining legitimacy.

The Soviet system also built hierarchy through welfare and entitlement structures, where benefits could be universal in rhetoric but segmented in practice. Studies of Soviet welfare and social rights suggest that constitutional promises and practical access often diverged, with entitlements shaped by state priorities, labour status, and political inclusion². The policy relevance for this report is that citizens can become accustomed to the idea that the state is the distributor of welfare and the arbiter of access, even when distribution is unequal. Under external pressure, such expectations can strengthen the demand for paternalist protection rather than for pluralist reform. This is exactly the mechanism that complicates social sanctions: if hardship is historically interpreted as something to be managed by the state, then externally induced hardship may reinforce the expectation of stronger state control. It can also legitimise surveillance and administrative tightening, as people trade privacy and autonomy for access and security. Consequently, sanctions design must be cautious about measures that increase everyday insecurity without preserving protected pathways, because such insecurity can strengthen hierarchical governance scripts.

From an institutional perspective, rigid hierarchy also shapes how citizens interpret fairness. In highly stratified systems, fairness may be interpreted less as equal rights and more as “proper order” or “deserved place,” especially when ideology and practice repeatedly teach that society is organised by ranks, merits, or political reliability. This can create a tolerance for inequality and privileged access, provided it is perceived as consistent with the social order. Under sanctions, this tolerance can reduce the political salience of unequal adaptation: if elites and well-connected actors circumvent restrictions, the public may not necessarily treat this as a scandal; it can be interpreted as normal. However, this tolerance has limits: when inequality becomes too visible or when privileged circumvention is framed as betrayal, legitimacy can fracture. The key point for acceptability is that social sanctions may exacerbate such inequalities by making access dependent on networks and resources. That increases the risk of informalisation and patronage-like brokerage, which the report treats as ethically and strategically undesirable. Hence, the hierarchy legacy is a reason to prioritise operational clarity and reduce over-compliance: otherwise, the system rewards those best positioned in hierarchies, undermining both fairness and pressure logic.

The continuity from imperial to Soviet hierarchies is not a claim of sameness; it is a claim of functional substitution. Estate categories were abolished, but new categories—party membership, workplace status, residency documentation, nomenklatura lists—reproduced stratified access. Confino’s discussion of estate paradigms is useful here precisely because it encourages analysis of how

¹ Fitzpatrick, S. (1999). *Everyday Stalinism: Ordinary life in extraordinary times: Soviet Russia in the 1930s*. Oxford University Press.

² Smith, M. B. (2014). Social rights in the Soviet dictatorship: The constitutional right to welfare from Stalin to Brezhnev. *Humanity: An International Journal of Human Rights, Humanitarianism, and Development*.

classification regimes persist even when labels change¹. This functional substitution matters for sanctions because it suggests a resilient social capability: people can adapt to new classification regimes quickly, using old skills of navigation. In modern Russia, this can manifest as rapid uptake of intermediaries and alternative channels when sanctions restrict official routes. If the “skill” of hierarchical navigation is widely socialised, then social sanctions that rely on friction may inadvertently increase the returns to brokerage and patronage. That is both an enforcement problem (more opacity) and an ethical problem (more inequality). Therefore, historical hierarchy strengthens the case for sanctions designs that preserve lawful, transparent pathways for essential needs.

The report’s sanctions-engineering approach treats these historical patterns as constraints on mechanism design rather than as just background narrative. If a society has deep experience with hierarchical access systems, then policies that increase scarcity and friction tend to generate two predictable adaptations: *queueing and rationing* (waiting, repeated documentation) and *brokerage* (using intermediaries). Both adaptations can be stabilised by paternalist governance: the state can present itself as managing scarcity and policing intermediaries, increasing central authority. Thus, social sanctions can interact with domestic hierarchy by making hierarchy more functional. This is one of the reasons the report views “collective hardship” mechanisms as ethically risky and strategically ambiguous. Targeted measures can still be effective, but they must be paired with operational governance that prevents the compliance layer from turning lawful activity into uncertain, status-dependent access. That governance includes clear exemptions, protected channels, and systematic reduction of over-compliance, consistent with Tables 4.3.2-1 and 4.3.4-1. Without such governance, the sanctions system risks re-creating a hierarchy of access in which privileged actors adapt and vulnerable groups suffer.

To make these relationships explicit and auditable, Table 4.3.5.3-1 maps major historical “hierarchy regimes” to their core access mechanisms and to the likely sanctions-relevant adaptation patterns. The table does not assert that modern Russians behave as eighteenth-century subjects; it asserts that societies retain repertoires of navigation strategies learned under long-run institutional constraints.

Table 4.3.5.3-1. Hierarchy regimes in Russian history and sanctions-relevant adaptation patterns (mechanism mapping)

Period / regime (indicative)	Core hierarchy mechanism	How access was allocated	Likely adaptation under external restriction (sanctions-relevant)	Implication for acceptability design
Principalities / Muscovite consolidation	Service, coercion, vertical obligation	Protection and access mediated by superiors and local power	Protection-seeking; patronage reliance; deference as risk management	Avoid diffuse hardship mechanisms; preserve predictable protected channels
Imperial estate (soslovie) order	Legal estates + bureaucratic classification	Rights and duties tied to formal category and documentation	Category navigation; search for exemptions; reliance on intermediaries	Clarify exemptions; reduce administrative arbitrariness to avoid “status rationing”
Table of Ranks bureaucracy (post-1722)	Rank-based certification of status	Access and honour linked to state-certified rank and service	“Credentialism”; privileging of formally recognised channels	Keep lawful pathways transparent; avoid making access depend on costly intermediaries
Soviet stratification (incl. nomenklatura)	Party control of personnel; administrative status; distribution channels	Privilege via party/state proximity; controlled mobility and goods	Brokerage and network navigation; informalisation if formal access blocks	Reduce over-compliance; provide safe operational pathways for lawful personal needs

¹ Confino, M. (2008). The soslovie (estate) paradigm. *Cahiers du Monde russe*, 49, 681–704. <https://doi.org/10.4000/monderusse.9502>

Authorship: analytical framework (this report) was prepared by the author (mechanism-based mapping; non-deterministic)

These repertoires become salient when external shocks increase uncertainty. In practical terms, the table helps discipline analysis: it links claims to mechanisms, and it suggests what kinds of social sanctions are more likely to produce ethical stress. It also supports later 4.4 and 4.5 by identifying policy levers that reduce hierarchy-amplifying effects, such as preserving lawful pathways and preventing over-compliance-driven gatekeeping. The table is therefore an analytical tool, not a moral verdict.

Finally, the core implication for 4.3 (limits of acceptability) is that rigid hierarchy amplifies the moral risk of sanctions that operate through diffuse social friction. Where hierarchy is normalised, social pain is more easily absorbed and more easily reframed as “order costs”, reducing the probability that pain produces the intended political signal. At the same time, friction increases inequality because it rewards those best positioned in status networks. Thus, sanctions can become both less effective and less ethical if they rely on hardship rather than on precision. The acceptability threshold therefore tightens: the EU must ensure that social measures do not unintentionally create a new stratification of access to mobility, finance, and services. This aligns with the report’s consistent conclusion: ethical robustness is not merely moral. It is strategic because it protects legitimacy, reduces backfire narratives, and preserves enforcement controllability.

4.3.5.4. Traditions of Elite Formation and Elite Power

Elite formation in Russia has repeatedly been shaped by a service–patronage–control triad: access to status and resources is granted through service to the centre, mediated through patronal networks, and stabilised by the ability to control administrative and coercive instruments. This is not a uniquely Russian pattern, but Russian state development has historically privileged vertical integration of authority, which tends to produce elites whose legitimacy is tied to proximity to the sovereign and whose reproduction depends on the management of appointments. In analytic terms, “elite” here refers not only to wealth holders but to those who can make binding decisions, allocate resources, and shape enforcement outcomes across key institutions. Contemporary political science describing Russia as a patronal system treats personal connections and network-centred coordination as a recurring equilibrium rather than as a transient pathology^{1,2}. In such an equilibrium, formal institutions matter, but their practical operation is frequently filtered through personal ties and appointment power. This matters for sanctions acceptability because social pressure mechanisms often assume a relatively direct mapping from household hardship to political pressure on elites. Where elite insulation is strong and elite reproduction is controlled through patronal channels, hardship is more likely to be managed through redistribution, repression, or narrative control than to translate into “bottom-up” political constraint. Therefore, understanding traditions of elite formation is not background; it is part of the causal architecture that governs how social sanctions are interpreted and how costs are distributed.

In the medieval and early Muscovite setting, elite formation was tied to landholding, service, and the consolidation of coercive capacity, producing a political order in which loyalty and military-administrative function were central currencies. The boyar and service-nobility milieu did not operate as a modern meritocracy, but it already contained the principle that status depended on recognised place within a hierarchy linked to the centre. As the Muscovite polity expanded and centralised, the state increasingly shaped the terms of elite status: the elite’s security depended on the ruler’s favour, while the ruler depended on elites to govern and mobilise resources. This reciprocal dependency fostered a political culture of *court politics*, where access to the sovereign and membership in inner circles became decisive. From the standpoint of elite power, the key instrument was not abstract ideology but control of appointments and local administration, allowing elites to translate proximity to the centre into real-world authority. This model of elite formation tends to produce high incentives for conformity and low

¹ Hale, H. E. (2015). *Patronal politics: Eurasian regime dynamics in comparative perspective*. Cambridge University Press.

² Hale, H. E. (2017). Russian patronal politics beyond Putin. *Daedalus*, 146(2), 30–40.

tolerance for autonomous corporate power centres. In sanctions terms, such a tradition is compatible with elite coordination around a central arbiter under pressure, rather than elite fragmentation driven by societal costs.

Imperial Russia formalised service-based elite formation in new ways, particularly through state-driven codification of status and rank. The Table of Ranks (1722) is a classic example: it linked social standing to service grades in the military and civil administration, creating a state-certified ladder of advancement even while retaining hierarchy and privilege. Britannica’s description stresses that the Table of Ranks classified grades into a 14-category hierarchy and promoted advancement based on performance rather than genealogy, at least in formal design, and that achieving specific ranks could confer hereditary nobility¹. The institutional implication is that the state acquired a powerful tool for manufacturing and disciplining elites: it could reward service with status and bind elite careers to bureaucratic evaluation. Even where practice deviated from ideal merit, the logic of elite reproduction became increasingly administrative, documented, and controllable from the centre. This fosters a tradition of elites as state-serving managers, rather than autonomous aristocratic power blocks. For sanctions analysis, this implies that elite power can remain resilient under economic shocks if the state retains appointment authority and status distribution mechanisms. It also implies that elite defections are less likely when status and security depend on central certification rather than independent resources.

The imperial estate (soslovie) order reinforced elite stratification by making legal status a matter of administrative classification, embedding privilege in paperwork and rights allocations. Confino’s discussion of the “estate paradigm” shows how soslovie categories structured identity and administration, shaping how society understood privilege and obligation². Elite reproduction in such contexts is sustained not only by wealth but by legally privileged categories that protect status and allocate rights unevenly. The political consequence is a system where elites can govern through categorisation and can frame authority as “proper order”, thus naturalising hierarchy. This matters for sanctions acceptability because social sanctions that increase friction tend to encourage citizens to seek category-based pathways—exemptions, special statuses, privileged channels—mirroring historical patterns of access through classification. Where elites can broker those pathways, they can maintain legitimacy by performing protection functions, thereby insulating themselves from the political impact of hardship. The estate tradition thus contributes to a durable social grammar: rights are conditional and mediated, and elites are the managers of mediation. Under pressure, that grammar can strengthen rather than weaken elite authority.

The 19th-century modernisation period created new social strata—professional bureaucrats, officers, industrial managers, and segments of intelligentsia—yet elite formation remained constrained by state control and by the political primacy of the centre. Even when markets expanded, the state often retained decisive influence over property rights, contracts, and careers, shaping the environment in which elite autonomy could develop. This produced what might be called bounded pluralism: new elite segments emerged, but their ability to act independently of the state was limited and episodic. In such conditions, elites learn to invest in political insurance—patrons, ties to ministries, and alignment with the centre—rather than relying solely on market power. This becomes relevant for later periods because it creates a historical precedent for elite adaptation: elites diversify resources but remain politically dependent. For sanctions analysis, the implication is that external economic constraints may pressure economic elites, but political elites can reconfigure the rules of access and convert economic dependency into political discipline. Thus, social costs borne by households do not automatically translate into elite vulnerability. The institutional tradition provides tools for elite stabilisation through administrative and coercive levers.

The Soviet revolution abolished formal estates and aristocracy, yet it did not abolish elite formation; it replaced it with a party-administered appointment system that often-intensified central control. The key

¹ Encyclopaedia Britannica. (2026). *Table of Ranks*.

² Confino, M. (2008). The soslovie (estate) paradigm. *Cahiers du Monde russe*, 49, 681–704. <https://doi.org/10.4000/monderusse.9502>

institutional instrument was the nomenklatura, which Lewin defines initially as a list of key jobs filled by politically reliable and professionally competent personnel, and which evolved into a broad set of procedures for selecting personnel across administrations¹. The nomenklatura system turned elite reproduction into an organisational technology: the party-controlled appointments, careers, and often mobility, making loyalty and reliability decisive. This is crucial for understanding elite power because it locates authority not primarily in formal legal checks but in (cadre policy—the ability to appoint and remove. In practice, this created a managed elite with strong incentives for conformity and with limited tolerance for autonomous power centres. The Soviet model thus entrenched the tradition that the key to elite power is control of personnel and administrative levers, not simply ownership. For sanctions, it implies that elite cohesion under external pressure can be maintained through cadre discipline and selective redistribution, even when economic conditions deteriorate.

The nomenklatura also created a distinctive mechanism of elite legitimacy: elite status was justified as service to ideology and state goals, while privileges were often framed as functional necessities rather than as inherited rights. Rigby's classic analysis treats the nomenklatura as a personnel-control system that became central to Soviet political management². The practical consequence is an elite formation logic where access to scarce goods, better housing, and higher-quality services is mediated through institutional position. This resembles earlier hierarchy regimes in that access is stratified, but it differs in ideological framing and in the breadth of administrative control. From a social-sanctions perspective, this history matters because it normalises an expectation that scarcity is managed politically, not purely by market forces. When external pressure increases scarcity or friction, the state can position itself—and its elites—as the allocator and protector, potentially strengthening elite legitimacy among those seeking stability. It also means that elites have well-developed administrative skills for managing distribution and narrative under constraint, which can reduce the political elasticity of household hardship.

Late Soviet and transitional periods illustrate another important tradition: elites can convert political position into durable advantages, including control over property, even when ideology changes. Scholarly discussion of elite continuity after communism has often noted that segments of the party-state elite-maintained status and participated in a transition from political position to property, preserving advantages through institutional conversion rather than losing power outright (for an indicative scholarly treatment, see OUP academic material on Soviet elite continuity). This suggests that elite formation is not only about recruitment; it is about asset conversion mechanisms that allow elites to survive systemic change. Such conversion mechanisms become especially relevant under sanctions, where constrained environments can create new rent opportunities: import substitution, state contracts, and regulated market access. If elites are skilled at converting administrative power into economic advantage, sanctions can inadvertently expand rent spaces that elites can capture, while households absorb friction. This is one reason the report treats over-compliance, informalisation, and brokerage growth as ethically and strategically sensitive: they expand the market for intermediated access, which elites and connected actors can dominate.

Post-Soviet Russia saw a partial shift toward wealth-based elite formation in the 1990s, often described through the rise of oligarchic capital and the intertwining of business and politics. Yet even in that period, elite survival often depended on political sponsorship and on the ability to navigate state institutions. Over time, the balance shifted again toward centralised control, with scholars describing a patronal and increasingly pyramidal configuration in which personal networks and a central arbiter structure elite competition^{3,4}. The relevance for this report is the continuity of the central mechanism: elite power is stabilised by appointment control, security-service influence, and privileged access to state resources. This implies that social sanctions that increase household friction do not necessarily weaken elites; they

¹ Lewin, M. (2003). Rebuilding the Soviet nomenklatura, 1945–1948. *Cahiers du Monde russe*, 44, 219–252.
<https://doi.org/10.4000/monderusse.8608>

² Rigby, T. H. (1988). The origins of the nomenklatura system. *Studies in Comparative Communism*, 40(4), 523–537.

³ Hale, H. E. (2015). *Patronal politics: Eurasian regime dynamics in comparative perspective*. Cambridge University Press.

⁴ Hale, H. E. (2017). Russian patronal politics beyond Putin. *Daedalus*, 146(2), 30–40.

may instead increase dependence on state-controlled access channels, strengthening elite brokerage roles. Therefore, a key acceptability concern is not only the existence of hardship, but whether hardship expands the return to patronage and thereby strengthens vertical power structures.

A major theme in the literature on contemporary Russian elites is the prominence of *siloviki*—individuals with backgrounds in security and coercive institutions—within political and economic power networks. A 2025 review by Taylor synthesises “twenty years of scholarship” on the *siloviki* and notes how researchers have defined and analysed this group’s entrenchment in Russian politics. This matters for elite formation traditions because it highlights the sustained importance of coercive capital as a route into elite status and as a stabiliser of elite power. In a sanctions’ environment, coercive capital can substitute for economic performance as a source of authority: when external pressure increases risk and uncertainty, security-linked elites can plausibly claim greater relevance. The domestic consequence can be a re-weighting of elite hierarchies toward those who manage internal control and strategic industries. For social sanctions acceptability, this is important because civilian-facing restrictions can be framed as security necessities, and the resulting environment tends to empower security-oriented elites, potentially tightening domestic control rather than loosening it.

Empirical studies of elite composition have also examined the mixing of business, security, and bureaucratic elites. Work associated with Kryshchanovskaya and White has been widely cited in discussions of elite turnover and the relative presence of *siloviki* and business figures in the political elite, stressing that the Russian elite system contains overlapping groups rather than clean sectors (see also related secondary summaries discussing their findings)¹. This blending is not merely descriptive; it is an institutional mechanism that supports regime stability by preventing any single elite segment from becoming fully autonomous. Overlap creates mutual dependence: business relies on administrative permissions and protection, while administrative elites rely on economic managers to deliver resources and govern strategic sectors. Under sanctions, such overlap can make elite defection less likely, because costs can be redistributed internally and managed through state-directed rents. It also implies that social costs may be buffered for elites while amplified for households, increasing acceptability tension. Thus, the tradition of elite overlap reinforces the report’s caution against assuming that diffuse civilian hardship creates direct elite vulnerability.

Elite recruitment and careers in post-Soviet Russia also show continuities with earlier patterns of state-centric formation. Semenova’s study of continuities in political elite formation analyses recruitment and careers of MPs and highlights patterns that suggest persistence in elite pathways rather than a fully new democratic elite rotation². This continuity implies that elite formation is not easily disrupted by external pressure; it is reproduced through stable career channels, networks, and institutional filters. For sanctions analysis, the implication is that social sanctions that primarily generate household friction are unlikely to “recruit” a counter-elite by themselves, because elite entry is controlled and buffered. Instead, such friction is more likely to be politicised through narratives of external hostility, which can strengthen elite cohesion. Therefore, acceptability and effectiveness depend on whether sanctions design can discriminate between elite-enabling structures and ordinary life activities. Where sanctions are blunt, they risk strengthening the very elite reproduction mechanisms they are intended to constrain.

Across these periods, a recurring instrument of elite power is control over information and meaning, not only coercion and distribution. While the technologies differ—ceremony, party propaganda, mass media, digital ecosystems—the functional role is similar: elites stabilise authority by shaping how hardship is interpreted and by defining the boundaries of loyalty. This matters for sanctions because the social meaning of sanctions is not given; it is constructed. If sanctions are experienced as arbitrary or collective, elites can frame them as attacks on the nation, activating unity scripts discussed in 4.3.5.2. If sanctions are experienced as targeted and rule-based with protected channels, elites have less

¹ Kryshchanovskaya, O. (2008). The Russian elite in transition. *Journal of Communist Studies and Transition Politics*, 24(4), 491–516. <https://doi.org/10.1080/13523270802510602>

² Semenova, E. (2012). Continuities in the formation of Russian political elites. *Historical Social Research*, 37(2), 71–90. <https://www.jstor.org/stable/41636577>

material to support collective-punishment narratives. Therefore, elite power traditions intensify the importance of operational precision and protected pathways as governance tools for sanction acceptability. In short, social-sanctions design is partly a contest over interpretation, and elites have historically cultivated strong capacities to manage interpretation under constraint.

These historical traditions can be synthesised into a model of elite formation that is highly relevant for policy: elites are reproduced through (1) appointment control, (2) service credentials and organisational loyalty, (3) access to coercive institutions, and (4) capacity to manage scarcity and narrative. This model helps explain why social sanctions can have ethically problematic and strategically ambiguous effects if they operate primarily through diffuse hardship. Diffuse hardship increases the political demand for allocation and protection, which elites can supply, thereby strengthening their brokerage role. It also increases the value of coercive capacity as a stabiliser, which can shift elite balance further toward security-linked networks. These dynamics do not imply that sanctions are futile; they imply that sanctions must be designed to target elite-enabling channels rather than ordinary life functions. That is consistent with the report's broader argument: ethical robustness—protected channels, reduced over-compliance, and clear remedies—is not a soft constraint but a strategic design requirement in societies with strong vertical elite traditions.

To keep the argument auditable and avoid determinism, it is useful to separate “deep tradition” from “contemporary mechanism.” Historically, elite formation relied on service and rank; in the Soviet period, on party-administered appointments; in the post-Soviet period, on a hybrid of state control, security networks, and managed business integration. Yet the functional continuity is the centrality of vertical mediation and controlled recruitment. Table 4.3.5.4-1 summarises these patterns and links them to sanctions-relevant adaptation.

Table 4.3.5.4-1. Traditions of elite formation and elite power in Russia: period mechanisms and sanctions-relevant implications

Period (indicative)	Dominant elite recruitment mechanism	Core sources of elite power	Typical mode of elite reproduction	Sanctions-relevant implication (social sphere)
Muscovite / early empire	Service and proximity to sovereign; court networks	Appointment control; coercive capacity; local administration	Patronage; loyalty; controlled advancement	Hardship can be reframed as external threat; elites stabilise via protection functions
Imperial bureaucracy (18th–19th c.)	Rank- and service-based certification (e.g., Table of Ranks)	Administrative authority; status privileges	State-certified career ladders; elite discipline	Under pressure, elites use administrative levers to buffer themselves and manage distribution
Soviet system	Party-controlled appointments (nomenklatura)	Cadre policy; distribution channels; coercion and surveillance	Organisational loyalty; managed privilege	Scarcity/friction increases demand for allocation; elites legitimise control as stability
Post-Soviet hybrid	Patronal networks; security-service influence; state-brokered business integration	Control of strategic rents; coercive institutions; narrative management	Network reproduction; overlap of siloviki, bureaucrats, and business	Civilian-facing sanctions can strengthen consolidation and brokerage unless protected channels are visible

Authorship: analytical framework (this report) was prepared by the author (mechanism-based synthesis; not a deterministic causality claim)

The table does not claim that history mechanically determines policy outcomes. It claims that institutional repertoires shape what is easy and what is costly in elite management. In sanctions terms, the “easy” pathway for elites is to convert external pressure into internal consolidation and brokerage. The “costly” pathway is to accept pluralistic accountability. Therefore, sanctions that unintentionally strengthen brokerage and consolidation are ethically risky and strategically counterproductive.

In practical acceptability terms, these traditions sharpen the distinction between pressure on elites and pressure on society. If elites can buffer themselves and redistribute burdens, pressure on society becomes pressure on the least protected groups, which conflicts with EU legitimacy commitments and can activate unity narratives. If sanctions instead degrade elite-enabling resources (strategic rents, privileged access to enabling services, and high-value circumvention channels) while preserving protected civilian pathways, the pressure becomes more discriminative. This supports the report's earlier proposals: manage over-compliance, preserve lawful channels for family, education, and health, and ensure that sanctions' social meaning aligns with responsibility rather than collective threat. In short, the tradition of elite formation and elite power in Russia implies that social sanctions should be used sparingly, precisely, and with strong governance safeguards. Otherwise, they risk expanding the very space of patronage and hierarchy through which elites historically reproduce authority.

Finally, the relevance of this subsection is forward-looking. For 2026–2030, any tightening of social sanctions that increases everyday uncertainty will likely interact with existing elite power traditions by raising the demand for state-mediated protection and by expanding brokerage markets. Conversely, policies that maintain predictable protected channels and reduce arbitrary denials can limit the growth of informal intermediaries and weaken the plausibility of collective-punishment narratives. This is why elite formation traditions are placed inside Section 4.3 (limits of acceptability): they do not only describe Russia. They define what kinds of social measures are ethically sustainable and strategically coherent.

4.3.5.5. Specificities and evolution of influence instruments used by the new authority in contemporary Russia (2000–2025)

The period 2000–2025 can be interpreted as an era in which the Russian state progressively rebuilt and then consolidated a comprehensive “influence stack”—a layered set of political, legal, informational, administrative, and coercive instruments designed to shape behaviour, narrow uncertainty for the regime, and stabilise leader-centred legitimacy. The analytical claim is not that the state invented influence or coercion in 2000; rather, it systematised, synchronised, and modernised instruments that had existed in fragmented forms. The result was a governance model in which persuasion, administrative control, and selective coercion became mutually reinforcing rather than separate tools. This matters for social-sanctions analysis because the effectiveness of sanctions that rely on societal pressure depends on whether society retains autonomous channels for coordination and interpretation. Where the state's influence stack is dense, social hardship is more likely to be reframed as external hostility and managed through vertical protection narratives than translated into political constraint. In such contexts, “acceptability limits” are not only ethical boundaries for the EU; they are strategic boundaries, because poorly targeted social sanctions can supply domestic influence instruments with new material for mobilisation. Hence, the focus here is on mechanism: how instruments evolved, how they interact, and what that implies for the social transmission of external pressure.

A useful starting point is the institutional logic often described as the construction of a “power vertical”: a re-centralisation of authority that reduces the autonomy of regional, parliamentary, and pluralist counterweights and increases the coordination capacity of the centre. In patronal-politics terms, the system moved toward a configuration in which personal networks and a central arbiter structure elite competition and stabilise regime outcomes^{1,2}. This is not merely a story of authoritarian preference; it is an efficiency story under conditions of perceived threat and weak institutional trust. The “power vertical” logic changes the state's influence toolkit because it increases the role of appointments, discipline, and budgetary levers relative to open contestation. It also allows the centre to synchronise messaging, law enforcement priorities, and administrative practice across the federation. For sanctions analysis, the implication is that social pressure applied through friction is likely to be absorbed through central coordination and reframed through state-aligned narratives, rather than generating decentralised

¹ Hale, H. E. (2015). *Patronal politics: Eurasian regime dynamics in comparative perspective*. Cambridge University Press.

² Hale, H. E. (2017). Russian patronal politics beyond Putin. *Daedalus*, 146(2), 30–40.

political feedback. The influence stack thus becomes a filter that transforms hardship into “managed meaning”.

A second component of the influence stack is ideological framing, particularly the evolution of “managed democracy” and the concept of “sovereign democracy.” Whatever one’s view of the term’s coherence, it functioned as an ideological justification for limiting external influence and prioritising state sovereignty in defining democratic legitimacy¹. The concept is widely associated with Kremlin political discourse and has been analysed as a framework that signals both internal consolidation and resistance to external normative pressure². Ideological instruments matter because they provide interpretive templates for citizens: if the state claims that external actors seek to undermine sovereignty, then external pressure (including sanctions) can be narrated as proof of hostile intent. This makes it harder for social sanctions to be interpreted as targeted accountability measures, and easier for them to be interpreted as collective pressure. Ideology also provides a bridge between coercion and consent: compliance is not framed solely as fear, but as participation in national defence. Therefore, influence instruments are not limited to laws; they include the production of meaning that makes those laws socially intelligible.

Media control and information governance form a third layer, and they became increasingly central as television and later digital platforms shaped the information environment. The 2000s saw a pattern of consolidation of state influence over major broadcast narratives, while the 2010s–2020s featured a more technical, legal-infrastructure model of digital governance. Contemporary analysis of media regulation in Russia emphasises that foreign influence and independent institutional space have been progressively reduced and framed as instruments of hostile “political warfare” against Russia³. This framing is policy-relevant because it links domestic cohesion to the external threat narrative, increasing the probability that sanctions will be interpreted as confirmation rather than as corrective pressure. Where media governance is tight, hardship becomes a resource for mobilisation, and the state can define the moral meaning of sacrifice. Crucially, modern information control is not only about blocking; it is also about agenda-setting, selective amplification, and chilling effects. That implies that social sanctions’ most visible effects—banking frictions, mobility constraints, brand exits—are likely to be narratively curated. From an EU standpoint, this increases the importance of *precision and protected channels*, because precision reduces narrative plausibility of collective punishment.

A 4th layer is the legal–administrative encirclement of civil society and political pluralism, most visibly through “foreign agent” and “undesirable organisation” regimes. The foreign agent law introduced in 2012 and subsequently expanded is widely documented as a mechanism that increases administrative burdens and stigma for organisations and individuals alleged to be under foreign influence^{4,5}. The “undesirable organisations” law adopted in 2015 empowered authorities to ban foreign and international organisations deemed threatening to constitutional order, defence capability, or state security, with significant criminal liability risks for participation (European Parliament Research Service, 2022). These instruments do not merely restrict specific groups; they shape the entire civic field by raising the expected cost of association and by signalling that foreign-linked networks are suspect. In influence-stack terms, this is a classic chilling mechanism: it reduces the density of independent institutions that could translate social hardship into organised political expression. It also makes it more difficult for external actors to communicate directly with society through civil channels without creating risk for recipients. Consequently, a sanctions strategy that expects civil society to articulate pressure upward must recognise that civil society’s operational space is itself shaped by these instruments.

¹ Krastev, I. (2006). “Sovereign democracy”, Russian-style. *Journal of Democracy*, 8(4), 113–117. <https://www.jstor.org/stable/26328656>

² Morris, P.-S. (2018). “Sovereign democracy” and international law: Legitimation and legal ideology. in P. S. Morris (ed.), *Russian Discourses on International Law: Sociological and Philosophical Phenomenon* (pp. 100–129). New York: Routledge Research in International Law, Routledge. <https://doi.org/10.4324/9781315123837-6>

³ Media Research Center. (2024). Media regulation, government and policy in Russia.

⁴ ICNL. (n.d.). *Russia: Civic Freedom Monitor*. <https://www.icnl.org/resources/civic-freedom-monitor/russia>

⁵ CIVICUS. (2023). *Foreign agents laws* (report).

The 5th layer is the criminalisation and administrative penalisation of dissent, especially visible in the post-2022 period but built on earlier legal foundations. Freedom House’s reporting highlights that after February 2022 authorities expanded prosecutions and proceedings under laws punishing “knowingly spreading false information” and imposed restrictions on how the war could be described, contributing to closures and relocations of independent outlets¹. Human Rights Watch documents extensive state censorship practices and the increasing isolation of the Russian internet, framing these developments as a systematic control environment rather than episodic censorship². What matters for this report is the mechanism: when the cost of public dissent rises sharply, hardship does not disappear but becomes privately managed and publicly muted. This increases the probability of “private dissatisfaction / public conformity,” which undermines simplistic models of societal pressure. It also increases the importance of informalisation and intermediaries, because people continue to solve problems but do so through opaque routes. Thus, the influence stack changes the visibility and transmissibility of social costs.

A 6th layer is digital sovereignty and infrastructural control, which evolved from content restrictions to deeper control over network architecture and user behaviour. The “sovereign internet” framework is widely discussed as enabling more centralised traffic routing and content blocking capabilities, increasing the state’s ability to isolate the domestic segment from external infrastructures³. Recent reporting has also described continued tightening of digital controls and a growing arsenal of legal tools affecting online activity, reinforcing the sense that digital life is increasingly regulated and surveilled⁴. In influence-stack terms, infrastructure control increases the state’s capacity to manage both information flows and coordination costs for mobilisation. It also shapes the sanctions environment: if external platforms and services are blocked or restricted domestically, sanctions-driven corporate exits are less likely to be interpreted as “external loss” and more likely to be reframed as part of an ongoing “digital sovereignty” project. Therefore, sanctions that rely on social discomfort from loss of services may produce less pressure and more reinforcement of the domestic sovereignty narrative. The relevant constraint is that informational connectivity—important for long-run societal openness—becomes a contested space in which external measures can be folded into domestic control narratives.

A 7th layer is surveillance and security-law expansion, which deepens the state’s ability to monitor, deter, and pre-empt coordination. International reporting and watchdog analysis frequently note an expansion of security powers and surveillance rationales, especially after 2016, which further raises the risk of organised dissent⁵. Whether one accepts every detail of journalistic accounts, the structural point remains: surveillance capacity increases the cost of collective action and reduces the feasibility of open coordination. In a sanctions’ context, this implies that hardship is less likely to be transformed into visible protest and more likely to be internalised, redirected, or channelled through state-managed grievance pathways. It also implies that sanctions messaging campaigns aimed at Russian audiences will face not only censorship but also audience risk: recipients may fear association. That is an acceptability-relevant point because it increases the ethical risk of strategies that rely on social mobilisation under repression. The more repressive the influence stack becomes, the more ethically problematic it is to assume that society can safely convert discomfort into political action. Therefore, the EU’s social-sanctions design should avoid relying on harm mechanisms that presuppose safe civic agency.

An 8th layer is electoral management and procedural control, which shapes legitimacy production. The influence stack does not require elections to be abolished; it requires elections to be made predictable through candidate filtering, media asymmetry, administrative mobilisation, and legal penalties for mobilisation outside authorised channels. Comparative scholarship on “managed democracy” emphasises that democratic institutions can be preserved formally while being used as instruments for

¹ Freedom House. (2022). *Russia: Freedom on the Net 2022*. <https://freedomhouse.org/country/russia/freedom-net/2022>

² Human Rights Watch. (2025). *Disrupted, throttled, and blocked: State censorship, control, and increasing isolation*.

³ Allerson, E. (2022). *The sovereign internet laws and Russia’s obligations under international law*. *Minnesota Journal of International Law*, 31, 233–258.

⁴ Human Rights Watch. (2025). *Disrupted, throttled, and blocked: State censorship, control, and increasing isolation*.

⁵ AP News, 2024

reproducing power¹. In such settings, public opinion still matters, but it is managed through narrative and risk, and the range of credible alternatives is narrowed. This interacts with sanctions in two ways. First, hardship may influence attitudes, but attitudes may have limited institutional outlets for producing leadership change. Second, sanctions can be narratively incorporated into electoral legitimacy as proof of external pressure, strengthening “rally” dynamics. Thus, the existence of electoral forms does not guarantee that social strain yields political constraint. For policy realism, the EU should treat the domestic influence stack as limiting the elasticity of political response to social hardship.

A 9th layer is public opinion management, including the strategic use of approval and trust narratives. Levada Center provides time-series data on approval of the President and related metrics, offering a window into public sentiments and their dynamics². Such data is not a perfect measure of regime strength, but it indicates that leader-centred legitimacy can remain high even under substantial external pressure, particularly when narratives and security frames dominate. The key analytic point is that public approval can be supported by multiple mechanisms: perceived stability, fear of disorder, patriotic mobilisation, and limited availability of alternatives. The relevance for social sanctions is that hardship does not automatically erode approval; it can, under some conditions, be translated into support for protection. This reinforces the earlier argument: social sanctions are most likely to backfire when they are experienced as collective hostility. If the influence stack can narrate sanctions as “attack on the people,” approval dynamics can remain resilient. Therefore, the EU must treat “public opinion pressure” as an uncertain mechanism and should avoid assuming linearity.

A 10th layer is the administrative economy of scarcity and rents, which becomes particularly important when external pressure changes market structures. When access to international goods and services becomes constrained—whether by sanctions, countermeasures, or corporate exits—new intermediary markets emerge. These markets generate rents for actors positioned to broker access, including those with customs, logistics, payment, or regulatory leverage. This is not speculative; it follows from standard political-economy logic: restrictions create arbitrage opportunities. In patronal systems, such opportunities tend to be captured by those with proximity to administrative power and coercive protection. That means sanctions can unintentionally expand the economic base of patronage networks, strengthening elite cohesion and reducing the political effectiveness of hardship. At the household level, it can increase inequality, because access becomes mediated by brokers and fees. Therefore, social sanctions that rely on consumer discomfort risk producing rent spaces that benefit connected actors. This is a key acceptability concern: sanctions should not systematically convert household welfare loss into elite rent gain.

An 11th layer is the stigmatization architecture, where law and narrative jointly signal that “foreign influence” is suspect. The “foreign agent” and “undesirable” regimes are not only administrative burdens; they are symbolic classifications that can produce stigma and self-censorship^{3,4}. Stigma instruments matter for sanctions because they reduce society’s capacity to interpret external measures independently. If citizens fear being labelled or associated with foreign-linked activity, they will avoid public engagement with external information and assistance. This increases the domestic state’s monopoly over interpretation and thus increases the probability that sanctions will be framed as hostile. It also affects diaspora ties, because cross-border financial support or civil engagement can become socially risky. Hence, the influence stack’s stigma layer magnifies the ethical sensitivity of social sanctions: measures that intensify stigma exposure are more likely to harm vulnerable groups and less likely to create productive pressure. This logic supports the report’s earlier insistence on protected channels and careful calibration.

¹ Krastev, I. (2006). “Sovereign democracy”, Russian-style. *Journal of Democracy*, 8(4), 113–117. <https://www.jstor.org/stable/26328656>

² Levada Center. (n.d.). *Putin’s approval rating* (time-series). <https://www.levada.ru/en/ratings/>

³ European Parliament Research Service. (2022). ‘Foreign agents’ and ‘undesirables’ (Briefing). [https://www.europarl.europa.eu/RegData/etudes/BRIE/2022/729297/EPRS_BRI\(2022\)729297_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2022/729297/EPRS_BRI(2022)729297_EN.pdf)

⁴ ICNL. (n.d.). *Russia: Civic Freedom Monitor*. <https://www.icnl.org/resources/civic-freedom-monitor/russia>

A 12th layer is the legal articulation of “extremism,” “fake news,” and “discreditation” categories, which can be used flexibly to deter undesired speech and coordination. Freedom House documents prosecutions under laws punishing “false information” and related restrictions after 2022, with potentially severe penalties (Freedom House, 2022). The Library of Congress provides descriptions of Russia’s 2019 “fake news” laws and their definitions, illustrating how the legal category can be framed broadly around “socially significant false information” and threats to public order and infrastructure (Library of Congress, 2019). In influence-stack terms, these are not merely speech laws; they are coordination laws. They raise uncertainty costs for public communication and create chilling effects, which shrink the space for collective action. For sanctions, the implication is that domestic law can absorb external shocks by restricting how people discuss them, thereby reducing the visibility of hardship as political critique. If hardship cannot be freely discussed, it is less likely to generate organised pressure. Thus, a social-sanctions strategy relying on public mobilisation is structurally constrained by domestic legal categories designed to suppress mobilisation.

A 13th layer is institutionalised internet blocking and throttling, where regulatory bodies can restrict access to information and platforms at scale. Human Rights Watch reports extensive blocking and restrictions since 2022, describing a broader environment of censorship and control (Human Rights Watch, 2025). Even where one debates precise counts, the direction is clear: the state has increased its capacity to manage digital information flows. In sanctions terms, this reduces the ability of external actors to communicate the rationale and targeting logic of sanctions to ordinary citizens. It also increases the likelihood that sanctions are interpreted through domestic frames. This is a key acceptability issue for the EU, because when communication channels are constrained, the only “message” citizens receive may be the hardship itself. If hardship is experienced without credible external explanation, domestic narratives can dominate. That increases backfire risk, especially for measures that are socially salient and easily framed as collective hostility. Therefore, the influence stack’s digital layer is a strong argument for prioritising measures that are clearly targeted and for maintaining humanitarian and educational channels that can remain credible despite information constraints.

A 14th layer is the governance of civil society through consolidation and legal transformation, including the 2022 consolidation of “foreign influence” mechanisms into a broader framework noted by civic-freedom monitors (ICNL, n.d.). This suggests a trend toward systematisation rather than ad hoc crackdown: the instruments are being aligned into a single conceptual apparatus. The policy implication is that the influence stack has become more coherent and thus more capable of sustained operation. For sanctions, sustained coherence matters because it reduces the probability that hardship accumulates into uncontrolled political volatility. The state can manage volatility through legal and narrative instruments, and it can selectively accommodate or repress as needed. Therefore, the EU should interpret Russian domestic capacity as a central constraint on how social costs translate into political outcomes. This does not mean sanctions are futile; it means their mechanisms need to be chosen carefully. Social sanctions that produce diffuse harm without clear targeting are likely to be absorbed and reframed; targeted measures affecting elite-enabling channels are more likely to impose real constraints.

A 15th layer is the interaction between domestic influence instruments and external sanctions, which can create a reinforcing cycle. External restrictions can increase domestic securitisation, securitisation can justify more legal tightening, and legal tightening can reduce the space for social interpretation and pluralist feedback. Freedom House’s reporting on post-2022 legal restrictions illustrates this dynamic: constraints on war-related reporting and expansion of foreign-agent mechanisms contributed to closures and relocations of outlets^{1,2}. When this cycle operates, the social space where sanctions might create “pressure for accountability” narrows. Instead, the domestic system can interpret sanctions as justification for “defensive governance”. This is one reason the report treats ethical robustness as

¹ Freedom House. (2022). *Russia: Freedom on the Net 2022*. <https://freedomhouse.org/country/russia/freedom-net/2022>

² Freedom House. (2023). *Russia: Freedom on the Net 2023*. <https://freedomhouse.org/country/russia/freedom-net/2023>

strategic: by keeping protected channels open and reducing arbitrary harms, the EU reduces the credibility of defensive narratives. The influence stack analysis therefore does not merely describe Russian control; it identifies the conditions under which external policy will be interpreted as legitimate or hostile.

A 16th layer is the role of international and domestic legal discourse as instruments of legitimacy. The state can claim that it is defending constitutional order and security against foreign interference, and this claim can be embedded in legal categories and institutional practice¹. Such discourse matters because it creates a normative language for citizens to understand restrictions as lawful and necessary. Under sanctions, this normative language can frame hardship as a patriotic duty, reducing the moral leverage of external pressure. Therefore, EU social-sanctions design must anticipate that domestic legitimacy production will use law as rhetoric, not only as coercion. The implication is that sanctions should avoid providing easy legal-rhetorical ammunition in the form of indiscriminate civilian harm. Instead, they should be anchored in clearly articulated accountability logic and paired with visible exemptions that can be credibly communicated even in constrained information environments. This is precisely why the report insists on linking sanctions design to measurable protected pathways.

A 17th, final synthesis, is that the 2000–2025 evolution is best read as a move from selective consolidation to systematised governance of meaning, access, and risk. The influence stack integrates ideology, media governance, civil society restrictions, digital control, and legal repression into a coherent apparatus. The apparatus does not eliminate dissatisfaction; it manages its visibility and channels it into safe forms. This is a crucial constraint for any sanctions strategy that relies on public mobilisation, because mobilisation is precisely what the apparatus is designed to pre-empt. Social sanctions thus face a double risk: they can impose civilian costs while failing to produce the intended political mechanism, and they can supply domestic narratives with evidence of external hostility. For the EU, the policy conclusion is not necessarily to avoid all social measures; it is to apply them with discrimination, preserve protected channels, reduce over-compliance externalities, and invest in communication strategies that make targeting intelligible. In short, Russian influence instruments in 2000–2025 raise the acceptability threshold for social sanctions: if the EU cannot ensure that measures remain clearly targeted and ethically bounded, the strategic and ethical cost-benefit balance deteriorates.

To support later sections, the evolution of the influence stack and its sanctions-relevant implications are summarised in Table 4.3.5.5-1.

Table 4.3.5.5-1. Influence instruments in contemporary Russia (2000–2025): functional evolution and sanctions-relevant implications

Instrument family	Illustrative evolution (2000–2025)	Core mechanism of influence	Likely interaction with EU social sanctions	Implication for EU “acceptability limits”
Ideological framing (sovereignty, managed/sovereign democracy)	Consolidation of sovereignty-first narratives	Reframes pressure as external hostility; legitimises sacrifice	Increases backfire risk for diffuse social hardship	Prefer precise targeting; invest in protected channels and clear rationale
Civil society legal encirclement (foreign agent / undesirable)	Expansion and systematisation since 2012 and 2015; further consolidation noted by monitors	Chilling effect; stigma; reduced autonomous coordination	Reduces translation of hardship into organised pressure	Avoid strategies expecting civic mobilisation; protect low-risk humanitarian/educational pathways

¹ European Parliament Research Service. (2022). ‘Foreign agents’ and ‘undesirables’ (Briefing).

Instrument family	Illustrative evolution (2000–2025)	Core mechanism of influence	Likely interaction with EU social sanctions	Implication for EU “acceptability limits”
Media and information governance	Regulatory consolidation and narrative management	Agenda-setting; selective amplification; chilling effects	Makes sanctions meaning dependent on domestic framing	Minimise collective-effect signals; keep exemptions visible and operational
Digital sovereignty and censorship infrastructure	Increased capacity to block, throttle, and isolate online space	Reduces external communication; increases surveillance capability	Limits EU ability to communicate targeting logic	Avoid relying on “informational persuasion” alone; maintain auditable protected channels
Criminal/administrative repression categories (fake news, discreditation, extremism)	Expanded after 2019 and especially 2022	Deterrence; increased uncertainty cost for dissent	Suppresses public critique of hardship	Ethical risk rises if civilians bear diffuse costs without remedy
Supervisory and security-law expansion	Increased surveillance and coordination capacity	Raises cost of collective action	Encourages private adaptation, not public pressure	Strengthen protected pathways to prevent informalisation and vulnerability harms

Authorship: analytical framework (this report) was prepared by the author (mechanism-based synthesis drawing on sources)

The table acts as an internal cross-reference: it links instrument families to mechanisms and identifies where EU policy levers can realistically reduce backfire risk (for example, by protecting essential pathways and minimising arbitrary friction). The table should be read as a mechanism map, not as a complete legal chronology; it identifies the dominant instrument families and why they matter for sanctions transmission. It also provides a bridge to 4.3.5.6 by showing how contemporary tools can contribute to leader-image construction through protection narratives and control of meaning.

4.3.5.6. The Construction of a New ‘Leader’ Archetype in 21st-Century Russian Society

The phrase “new leader archetype” is used here as an analytic shorthand for a manufactured model of authority that is reproduced through symbols, institutions, and repetitive narratives, rather than as a claim about a single individual’s psychology. In the 21st-century Russian context, the archetype is constructed as a composite: protector, arbiter, war-time commander, guarantor of stability, and the ultimate source of state rationality. The parallels with Stalinism are therefore functional rather than literal: the point is not that today’s Russia is identical to the 1930s Soviet Union, but that certain *techniques of legitimacy*—personification of the state, sacralisation of leadership, and moral framing of sacrifice—can recur in modernised forms. Scholarship on personality cults often treats them as *legitimation strategies* deployed when ideological or procedural legitimacy is thin, and where the regime benefits from making loyalty to the leader the primary political identity^{1,2}. In a sanctions-relevant frame, this matters because social hardship, uncertainty, and external threat cues can become inputs into leader-centred legitimacy production, especially when the state can control interpretation and ration information. A core proposition of this subsection is that leader-image construction is an instrumental system. It integrates communications, governance, and selective coercion to convert disorder risk into a demand for protection. This system can shape how social sanctions are processed, potentially reducing the elasticity of public discontent and increasing the acceptability of internal constraints under the banner of stability.

¹ Cassidy, J. & Johnson, E. (2010). Putin, Putiniana and the Question of a Post-Soviet Cult of Personality. *The Slavonic and East European Review*, 88, 681–707. <https://doi.org/10.2307/41061898>

² Sperling, V. (2016). Putin’s macho personality cult. *Communist and Post-Communist Studies*, 49, 13–23. <https://doi.org/10.1016/j.postcomstud.2015.12.001>

A disciplined comparison with Stalinism starts from the concept of the “cult of personality” as a set of mechanisms rather than as a moral label. Historical research on the Stalin cult emphasises how it was built through an orchestrated combination of propaganda, ritual, symbolic representation, and organisational discipline to consolidate authority and to resolve elite and mass legitimacy challenges. The Stalin cult drew on earlier revolutionary charisma and then reconfigured it into a personalised source of authority, embedding the leader’s image into everyday life and into state institutions. The contemporary Russian case does not replicate the same revolutionary context, yet it can reproduce the logic of personification, where the leader becomes the primary referent for national destiny. Contemporary political analysis explicitly discusses the role of personal image and charisma in Putin-era legitimacy, including the idea that personalisation of rule can become a central mode of governance rather than a mere side-effect of popularity. For sanctions analysis, the relevant issue is that personalisation can change causal pathways: hardship is not automatically attributed to policy failure; it can be attributed to external enemies, with the leader positioned as the defender. Thus, the comparison is best framed as a study of *shared legitimization techniques under different conditions*.

A first mechanism of the archetype is personification of the state, where loyalty to state institutions is re-scripted as loyalty to the leader as their embodiment. In Stalinism, this occurred through the symbolic fusion of Party, state, and the leader’s persona, producing a narrative in which the leader was the “brain” and “will” of the collective. In contemporary Russia, a comparable fusion can be produced through the centrality of the leader in public messaging, crisis response staging, and the framing of national security as a domain requiring single-point authority. Research on post-Soviet personality cult dynamics emphasises that a cult can operate as a legitimization strategy, particularly when democratic procedures are weak or contested, and when the regime benefits from substituting ideological commitment with leader attachment¹. This personification has practical consequences: it concentrates accountability outward (against external threats) and concentrates agency inward (in the leader), reducing the perceived relevance of plural institutional checks. When social sanctions increase friction in mobility, finance, and consumption, personification makes it easier to narrate those frictions as attacks on the nation itself rather than as results of domestic governance choices. That does not guarantee persuasion, but it increases the availability of a “rally” interpretation, which is a constraint on any sanctions strategy expecting hardship to translate into domestic pressure. The archetype therefore functions as a cognitive and institutional filter on sanction-induced social costs.

A second mechanism is protector paternalism, where the leader is framed as guarantor of stability against chaos, and where citizens accept restrictions as the price of security. The protector narrative is historically compatible with hierarchic social scripts discussed in 4.3.5.1–4.3.5.3, but it becomes distinctly modern when fused with media technologies and crisis governance. Contemporary scholarship on Putin’s personal image suggests that legitimacy can be supported by carefully staged representations that present the leader as decisive, masculine, and protective, shaping domestic and foreign policy symbolism². The protector narrative changes the welfare-politics relationship: hardship does not necessarily generate protest; it can generate a demand for stronger protective control, especially when alternative coordinative institutions are weak. The relevant sanctions implication is that civilian-facing restrictions (visa tightening, payment frictions, service discontinuation) may be interpreted as additional evidence that protection is required, not as evidence that protection has failed. The archetype becomes particularly resilient when uncertainty is high, because protection is a high-value good in risk environments. Hence, sanctions that increase uncertainty while being experienced as collective can become *fuel* for paternalist legitimacy. This is exactly why acceptability limits and protected channels are not merely ethical conditions; they are strategic conditions that prevent the sanctions regime from supplying the protector archetype with persuasive inputs.

¹ Cassiday, J. & Johnson, E. (2010). Putin, Putiniana and the Question of a Post-Soviet Cult of Personality. *The Slavonic and East European Review*, 88, 681–707. <https://doi.org/10.2307/41061898>

² Sperling, V. (2016). Putin’s macho personality cult. *Communist and Post-Communist Studies*, 49, 13–23. <https://doi.org/10.1016/j.postcomstud.2015.12.001>

A third mechanism is militarised legitimacy, where national identity and political loyalty are anchored to war-time narratives, sacrifice, and victory symbolism. In Stalinism, the “Great Patriotic War” became a foundational legitimacy resource, and the leader’s association with victory was integrated into the moral economy of the regime. In contemporary Russia, public opinion and cultural politics have increasingly centred on victory narratives, and social analysts have noted a public emphasis on greatness and national pride. A 2025 analysis of Putin’s changing leadership and legitimacy explicitly discusses cult-building as a tradition and places Putin within a longer line of leader-centred legitimisation strategies, while observing the mobilisation of personal image in sustaining support¹. The sanctions connection is direct: sanctions are easy to narrate as part of a war-time siege, converting everyday scarcity and friction into evidence of external aggression. This can increase the moral acceptability of hardship and reduce the social visibility of internal distributional injustice, because sacrifice is framed as collective duty. It also increases the risk that sanctions encourage domestic securitisation, tightening information and civic space. Therefore, the leader archetype is not only a cultural phenomenon. It is a governance instrument that shapes how external measures are metabolised.

A 4th mechanism is controlled visibility and selective truth, which is crucial for turning hardship into loyalty rather than into blame. Stalinism relied on near-total information monopoly and fear, but contemporary systems can rely on a mixture of formal restrictions, agenda-setting, and selective amplification without requiring a single, uniform propaganda voice. Comparative scholarship and reporting emphasise that modern authoritarian systems can maintain high reported approval while narrowing discursive space and increasing the cost of dissent, allowing citizens to remain privately sceptical yet publicly conformist. In such environments, the leader archetype is sustained by controlling which causal stories are socially safe to voice. Social sanctions can inadvertently strengthen this mechanism if they deliver visible frictions without simultaneously delivering credible, accessible explanations of targeting and exceptions. If external communication channels are limited, the primary “message” becomes the hardship itself, which can then be claimed by domestic narratives as evidence of external hostility. This makes it harder for sanctions to produce a clean accountability signal. The result is a feedback loop: (1) external restrictions increase insecurity; (2) insecurity increases demand for control; (3) control reduces interpretive competition; (4) leader-centred narratives become more dominant.

A 5th mechanism is mythic continuity and historical rehabilitation, especially of Soviet-era symbols associated with strength and victory. The parallels with Stalinism become most salient not in direct institutional equivalence, but in the re-legitimation of Stalin as a symbol of state strength and imperial endurance. Evidence of increasing favourable attitudes toward Stalin is widely discussed. *Le Monde* reported that more than 60% of those polled claimed a positive opinion of Stalin, while alternative voices such as Memorial had disappeared from public discourse, citing Levada’s Denis Volkov. The point for this report is not to adjudicate the moral status of these attitudes, but to note the political utility: rehabilitation of Stalin can normalise the idea that harsh methods and sacrifices are justified for national greatness. This symbolic environment makes it easier to construct a leader archetype that blends modern managerialism with Soviet-strength imagery. It also complicates sanction messaging: external pressure can be positioned as an attempt to deny Russia its “historic greatness”, thereby strengthening a defensive identity. Therefore, social sanctions that appear population-directed can inadvertently accelerate historical myth-making, while targeted and ethically bounded measures have a better chance of avoiding such narrative capture.

A 6th mechanism is aesthetic saturation, where the leader’s image becomes omnipresent through media, ritual, and popular culture products. In Stalinism, saturation was achieved through posters, statues, poems, and ritualised celebrations, making the leader’s presence part of the everyday symbolic landscape. Scholarly work on Stalinist visual culture emphasises how archetypes and repeated iconography manufactured a sense of inevitability and moral centrality around the leader. In the

¹ Burrett, T. (2025). Making Russia great again? Vladimir Putin’s changing sources of legitimacy 2000–2024. *Politics and Governance*, 13, 9029. <https://doi.org/10.17645/pag.9029>

contemporary case, saturation occurs through modern “Putiniana”—documentaries, staged events, controlled interviews, and curated imagery. Cassiday and Johnson’s analysis of “Putiniana” addresses the question of whether a post-Soviet cult operates and how official and unofficial representations differ from Soviet cult forms, which is exactly the kind of nuanced comparison this report requires¹. The sanctions-relevant point is that saturation reduces interpretive openness: repeated imagery trains a default frame (“leader as protector/arbiter”), making alternative causal stories less cognitively available. Under sanctions pressure, the saturated frame supports resilience by normalising sacrifice and discouraging blame.

A 7th mechanism is gendered legitimacy and the “macho protector” trope, which modernises the leader archetype by binding authority to cultural masculinity. Sperling argues that, to the extent there is a personality cult in contemporary Russia, it is defined in highly gendered terms and has shaped both domestic and foreign policy, particularly around the 2014 period and beyond². This matters because the protector archetype is easier to activate under perceived threat when it is embodied as personal toughness and readiness to confront external enemies. Social sanctions can inadvertently amplify this dynamic by increasing perceptions of siege and confrontation. The more citizens interpret sanctions as hostile, the more the macho-protector narrative appears relevant. This is not to claim uniform acceptance; rather, it is to show why the archetype can persist despite hardship. Therefore, when designing social measures, the EU must treat narrative effects as part of the system, not as a marginal “PR issue”. The acceptability boundary is crossed when measures provide compelling “siege evidence” while simultaneously harming vulnerable groups, because that combination supplies the protector narrative with both moral and emotional fuel.

An 8th mechanism is institutionalisation of loyalty through career and benefit systems, which echoes Stalinist methods in a modern bureaucratic form. Stalinism fused loyalty to career advancement and material access through party and state hierarchies; contemporary Russia likewise contains institutional pathways where loyalty, alignment, and affiliation can shape career stability and access to opportunities, particularly in state-linked sectors. The logic is not identical, but the functional role is similar: stabilise the elite coalition and reduce the probability that hardship triggers elite fracture. Patronal-politics scholarship emphasises that elite competition is managed through networks and central arbitration, which reduces the likelihood that social costs translate into elite dissent^{3,4}. If elites are institutionally bound and citizens expect vertical solutions, then social hardship becomes less likely to produce systemic pressure. Instead, it becomes a problem managed through distribution and narrative. Thus, social sanctions face a structural limitation: they may generate civilian costs without generating proportionate leverage on the governing coalition.

A 9th mechanism is selective repression and fear calibration, which differs from Stalinist terror in scale and form but can still constrain public expression. Stalinism’s coercion was extreme and mass-based; contemporary repression can be more selective and legalistic, relying on prosecutions, administrative barriers, and intimidation to create chilling effects. The key parallel is the function: reduce public coordination and make dissent costly. Under such conditions, citizens can remain privately critical while avoiding public mobilisation, limiting the political transmission of hardship. For sanctions analysis, this means that using civilian-facing hardship as a pressure mechanism risks moral failure: it imposes costs on those who may have the least agency to convert those costs into political change. The ethical point becomes strategic: if people cannot safely mobilise, hardship will not generate the expected signal, and the system may consolidate. Therefore, the report’s insistence on protected channels and ethical boundaries is grounded in a realistic view of agency constraints.

¹ Cassiday, J. & Johnson, E. (2010). Putin, Putiniana and the Question of a Post-Soviet Cult of Personality. *The Slavonic and East European Review*, 88, 681–707. <https://doi.org/10.2307/41061898>

² Sperling, V. (2016). Putin’s macho personality cult. *Communist and Post-Communist Studies*, 49, 13–23. <https://doi.org/10.1016/j.postcomstud.2015.12.001>

³ Hale, H. E. (2015). *Patronal politics: Eurasian regime dynamics in comparative perspective*. Cambridge University Press.

⁴ Hale, H. E. (2017). Russian patronal politics beyond Putin. *Daedalus*, 146(2), 30–40.

A 10th mechanism is blame management through externalisation and moral polarisation. In Stalinism, external enemies and internal traitors were central explanatory categories; in modern systems, similar categories can be used to interpret economic and social disruptions. When sanctions are present, they provide a ready-made causal object that can be used to explain inflation, service withdrawals, and restricted mobility. If social sanctions are experienced as collective, the blame externalisation frame gains credibility. If, by contrast, sanctions are experienced as targeted, with clear exceptions and accessible lawful routes, the externalisation frame has less plausibility. Hence, the EU's design choices affect the strength of domestic blame narratives. This is why over-compliance externalities in EU banking and platforms are particularly damaging: they widen the set of ordinary people who experience exclusion without understanding why, thereby strengthening externalisation. The leader archetype benefits because it offers protection against the blamed external threat.

An 11th mechanism is the rehabilitation of coercive-modernisation narratives, where historical harshness is reframed as necessary for national development. Public attention to Stalin as a symbol of victory and state-building has grown, and the Levada-linked discourse reported by *Le Monde* suggests that the disappearance of alternative voices is a factor in this trend. This rehabilitation creates a moral environment where coercion can be interpreted as “effective governance”. In that environment, social sanctions can be reframed as external hostility that validates coercive measures as defensive modernisation. The result is a paradox: external pressure intended to constrain aggressive policies may contribute to domestic narratives that justify harsh governance. This is one reason the report treats “social pressure” as an uncertain mechanism and emphasises precision and ethical robustness as both moral and strategic necessities.

A 12th mechanism is symbolic substitution, where the leader archetype replaces ideology as the primary integrator of political identity. Cassiday and Johnson explicitly frame a personality cult as a legitimisation strategy that functions to secure a leader's position in the absence of democratic methods of legitimisation¹. Burrett likewise notes the use of personal image and charisma as a mode of legitimacy in Putin's Russia². This substitution matters because ideological debate becomes less relevant: the political question becomes loyalty to the leader-as-state. Under sanctions, this makes policy evaluation less likely to occur through programmatic critique and more likely to occur through identity alignment. Therefore, hardship may increase loyalty if it increases identity polarisation. The acceptability implication is that sanctions should avoid measures that produce broad identity threats. Protected humanitarian, educational, and family pathways are therefore key not only for ethics but for limiting identity polarisation dynamics.

A 13th mechanism is the performative display of competence, where the leader is staged as uniquely capable of crisis management. In Stalinism, competence was staged through industrial achievements and war-time leadership narratives; in modern contexts, competence is staged through managed events, direct televised interventions, and symbolic demonstrations of control. Such performance can absorb social costs by presenting them as temporary sacrifices under competent stewardship. This is relevant to sanctions because sanctions may create real frictions, but those frictions can be framed as manageable and as proof of national resilience. If social sanctions produce “manageable pain” rather than crisis, the competence narrative can strengthen. Conversely, if sanctions produce chaotic, arbitrary harm—especially via over-compliance and inconsistent application—then they may create discontent, but the discontent's political direction remains uncertain because the leader archetype can reposition blame outward. Therefore, the EU should minimise arbitrariness in its operational layer to avoid inadvertently contributing to this narrative.

A 14th mechanism is youth socialisation under long incumbency, where a generation experiences leader-centred governance as the default. For example, Chicago Council analysis citing a February 2024

¹ Cassiday, J. & Johnson, E. (2010). Putin, Putiniana and the Question of a Post-Soviet Cult of Personality. *The Slavonic and East European Review*, 88, 681–707. <https://doi.org/10.2307/41061898>

² Burrett, T. (2025). Making Russia great again? Vladimir Putin's changing sources of legitimacy 2000–2024. *Politics and Governance*, 13, 9029. <https://doi.org/10.17645/pag.9029>

Levada survey reports very high favourable views of Putin among young Russians. Even if such results are interpreted cautiously due to social desirability effects in constrained environments, the broader point remains: long incumbency can normalise leader-centred rule and reduce perceived alternatives. In such contexts, hardship is more likely to be interpreted within the existing leader framework than to generate alternative political imaginaries. This strengthens the report's caution about expecting "social hardship → political change". It also underlines why social sanctions should be designed to avoid harming precisely the groups whose long-run socialisation might otherwise remain open to pluralist influence (students, researchers, cross-border families). If those groups are harmed disproportionately, sanctions become ethically problematic and may reduce the EU's long-run influence.

A 15th mechanism is the erosion of historical counter-narratives, which reduces society's ability to interpret power critically. Le Monde explicitly links increasing favourable attitudes toward Stalin to the disappearance of alternative voices in public discourse, such as Memorial. The policy relevance is direct: when critical historical memory is weakened, the moral costs of coercive governance are less salient, and leader archetypes aligned with "strength" become easier to legitimise. External sanctions that are experienced as collective can further weaken counter-narratives by reinforcing siege frames, making critical reflection seem disloyal. Therefore, the EU's social-sanctions strategy should aim to avoid strengthening the moral plausibility of coercive archetypes. Again, this is achieved through targeted design and visible humanitarian and educational carve-outs.

A 16th mechanism is the consolidation of "respect for power" as a value, closely linked to the rehabilitation of Stalin. Human rights reporting and commentary have discussed the growth of positive attitudes toward Stalin and the low share of negative attitudes in some Levada polling, illustrating a shift in symbolic valuation toward "strength" and "order." The report treats such shifts as a structural indicator: if a society increasingly admires coercive strength, then external pressure is more likely to be framed as a test of national endurance rather than as a reason for policy change. This does not mean endurance is infinite; it means the political meaning of endurance is controlled. Therefore, sanctions that impose civilian costs without clear targeting are risky: they can become endurance theatre. Targeted sanctions that focus on enabling structures and elite privileges are less likely to generate broad endurance narratives because their social salience is narrower and their moral logic is clearer.

A 17th synthesis is that the "new leader" archetype can be modelled as a system with identifiable components: personification, protector paternalism, militarised legitimacy, narrative control, historical rehabilitation, aesthetic saturation, gendered symbolism, institutionalised loyalty, calibrated repression, and blame management. Many of these components have analogues in Stalinist cult construction, but their contemporary instantiation is adapted to modern media and governance conditions. To maintain auditability, these functional parallels and differences are summarised in Table 4.3.5.6-1.

Table 4.3.5.6-1. Functional parallels between Stalinist cult mechanisms and contemporary leader-image construction (non-equivalence mapping)

Cult/leader-image mechanism	Stalinist exemplar (1929–1953)	Contemporary Russian analogue (21st century)	Sanctions-relevant implication (social sphere)
Personification of the state	Leader as embodiment of Party/state; ritualised loyalty ¹	Leader-centred legitimacy; state-as-leader framing in crisis narratives ²	Diffuse social hardship can be reframed as attack on collective identity
Protector paternalism	"Father of peoples"; order and security as moral goods ¹	Protector/arbiter narrative; stability-first messaging ²	Uncertainty-inducing sanctions can strengthen demand for strong authority
Militarised legitimacy and victory symbolism	War-time victory narrative central to legitimacy	Victory and siege framing; mobilisation of endurance narratives ³	Sanctions can be narrated as siege evidence, reducing pressure elasticity

Cult/leader-image mechanism	Stalinist exemplar (1929–1953)	Contemporary Russian analogue (21st century)	Sanctions-relevant implication (social sphere)
Aesthetic saturation	Posters and iconography saturating everyday space ¹	Modern “Putiniana” and curated imagery; documentary aesthetics ²	Visibility of sanctions effects may be curated; meaning becomes managed
Gendered leadership symbolism	Hyper-masculine strength tropes in propaganda (contextual)	“Macho” cult tropes shaping legitimacy (Sperling, 2016) ²	External pressure may amplify protector masculinity frames
Historical rehabilitation	Justification through historical destiny narratives	Growing public positivity toward Stalin as strength symbol ³	Collective-effect sanctions risk reinforcing coercive-strength admiration

Authorship: analytical framework (this report) was prepared by the author (mechanism-based mapping; functional parallels only; no claim of institutional identity)

Sources:

¹ Pisch, A. (2016). The rise of the Stalin personality cult. In A. Pisch. *The personality cult of Stalin in Soviet posters, 1929–1953: Archetypes, inventions and fabrications* (pp. 87–190). ANU Press.

² Cassidy, J. & Johnson, E. (2010). Putin, Putiniana and the Question of a Post-Soviet Cult of Personality. *The Slavonic and East European Review*, 88, 681–707. <https://doi.org/10.2307/41061898>; Sperling, V. (2016). Putin's macho personality cult. *Communist and Post-Communist Studies*, 49, 13–23. <https://doi.org/10.1016/j.postcomstud.2015.12.001>;

³ Quénelle, B. (2024, Dec 5). *Kremlin seeks to erase the memory of Soviet repression*. *Lemondé*. <https://www.lemonde.fr/en/>

The table is not an assertion that present-day Russia equals Stalinism; it is a mechanism tool that highlights why sanction-induced hardship can be narratively absorbed and potentially converted into support for protective authority. The key policy implication is that social sanctions should be designed to minimise the regime’s capacity to weaponise them as collective-siege evidence. This requires clarity, precision, and protected pathways.

In conclusion, the parallels with Stalinism are best understood as recurring legitimization techniques rather than as direct institutional replication. The new leader archetype is constructed through a coordinated influence stack (see 4.3.5.5), and it operates effectively when external pressure provides credible threat cues and when internal narrative competition is limited. The implications for sanctions acceptability are stringent: civilian-facing harm that is diffuse, arbitrary, or difficult to contest is both ethically problematic and strategically likely to backfire by reinforcing protection narratives. Conversely, sanctions that preserve clear humanitarian, educational, and family pathways, reduce over-compliance externalities in the EU’s operational layer, and maintain intelligible targeting logic are less likely to feed the archetype. Thus, the leader archetype analysis reinforces the report’s broader argument: ethical robustness is a condition of strategic coherence in social sanctions, particularly in contexts where leader-centred legitimacy production is dense and historically resonant.

4.4. Prospects for Social Sanctions Policy against Russia (2026–2030)

4.4.1. Scenarios and Policy Drivers

Prospects for the EU’s social sanctions policy against Russia in 2026–2030 should be approached as a scenario space rather than a linear forecast. Social sanctions are here understood as restrictive measures that shape mobility, reputational access, service provision, informational and cultural interfaces, and the practical ability of individuals and organisations to “normalise” cross-border

presence. In the EU architecture, such measures operate alongside asset freezes and sectoral restrictions, and are sustained through a legal-administrative chain that spans Council decisions, regulations, Commission guidance, and Member State enforcement. Their political logic is not limited to economic deprivation; it is also communicative, normative and deterrent, and therefore more exposed to legitimacy tests. Over the 2026–2030 horizon, the policy environment will likely be characterised by periodic “re-pricing” of what is socially permissible, rather than a single direction of travel. As a result, the most robust analytic frame is a set of scenarios conditioned by identifiable policy drivers and constraints. The four scenarios below are not mutually exclusive across time; rather, they represent dominant regimes that may alternate as the strategic context shifts. This section therefore maps baseline continuity, tightening, selective easing, and hybrid models, and specifies the principal drivers that determine which regime becomes dominant.

Before detailing scenarios, it is important to clarify what makes social sanctions distinctive within the EU’s restrictive measures toolkit. First, they frequently engage rights-adjacent domains such as travel, access to services, and expressive or associational space, which increases salience and litigation risk. Secondly, they are highly dependent on administrative discretion (consular practice, exemptions, licensing, and compliance screening), making implementation heterogenous across Member States. Thirdly, they are particularly sensitive to EU domestic politics because they directly affect visible categories of people (tourists, students, cultural figures, athletes, academics, dual citizens, family members) rather than abstract “sectors”. Fourthly, their strategic utility often lies in signalling and disruption of elite–society interfaces, which is hard to measure and easy to contest. Finally, they interact with the EU’s anti-circumvention posture, where the focus shifts from broad bans to compliance controls, due diligence obligations, and criminalisation of sanctions violations in Member States. The adoption of harmonised criminal offences for sanctions violations has already shifted the incentives for enforcement and risk management within the EU, raising the expected cost of facilitation and evasion. Directive (EU) 2024/1226 and the Commission’s communications on its entry into force have been explicit about strengthening criminal enforcement across the Union, which matters directly for the plausibility of tightening and hybrid scenarios^{1,2}.

The baseline scenario for 2026–2030 is best defined as “managed continuity”: restrictive measures remain structurally intact, while implementation is periodically adjusted through guidance, exemptions, and incremental listings. Under baseline continuity, the EU maintains the normative framing of sanctions as a response to aggression and to broader rule-of-law and human-rights concerns, continuing to use listings, travel bans, and asset freezes as standard instruments. The Council’s public explanation of sanctions mechanics indicates that these instruments are designed to restrict travel, freeze assets, and prevent EU persons from making funds available to listed actors, which will remain the core baseline³. Baseline continuity does not imply a static policy; rather, it implies that the directional trend is preserved while the “edges” of application are refined. In the social domain, this manifests as stable restrictions on certain categories of services and access, paired with ongoing licensing for humanitarian, diplomatic, or narrowly framed exemptions. Baseline continuity is also compatible with a sustained anti-circumvention posture, where the practical emphasis is placed on compliance and enforcement rather than widening the formal scope of bans. Commission updates to interpretative FAQs, particularly around restricted services, are indicative of how baseline continuity becomes operationally more specific over time (as summarised in professional compliance commentary)⁴.

¹ European Parliament & Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*. Official Journal of the European Union.

² European Commission. (2024, May 17). *New EU rules criminalising the violation of EU sanctions enter into force*.

³ Council of the EU. (n.d.). *EU sanctions against Russia: questions and answers*. <https://www.consilium.europa.eu/en/policies/sanctions-against-russia-explained/>

⁴ Vinas, J. M., Pascual, D. S., Piruzyan, T., Machado, J., & Torrego, A. M. (2026). *EU sanctions update: Revised restrictions on the provision of services to Russia*. Squire Patton Boggs.

The tightening scenario is defined as “escalatory social containment”: the EU expands social restrictions in response to heightened security threats, sustained war intensity, or demonstrable circumvention patterns that exploit social channels. Tightening does not necessarily mean an indiscriminate expansion; it more plausibly means a targeted tightening of mobility pathways, service interfaces and permissive categories of access. A concrete precedent is the tightening of visa policy for Russian citizens, justified on security grounds and concerns about misuse, while still acknowledging exceptions for dissidents, journalists, and family links¹. In a tightening regime, Member States are incentivised to apply stricter scrutiny, to reduce multiple-entry pathways, and to treat social access as a risk-screening domain. Tightening is also likely to increase the density of listings under thematic regimes such as human rights, which directly expands travel bans and asset freezes for individuals linked to repression or politically motivated prosecutions. The EU’s use of human-rights listings against Russian officials demonstrates that such thematic expansion can occur alongside broader packages, with unanimity politics acting as a gating constrain². Over 2026–2030, tightening becomes plausible if the EU perceives social interfaces as enabling intelligence risk, sabotage, or sustained sanction-evasion ecosystems.

Selective easing is defined as “conditional humanitarian-reputational normalisation”: certain social restrictions are relaxed or better “channelled” into verified exemptions, without strategic abandonment of sanctions. This scenario is not a return to pre-2022 normality; it is a controlled administrative easing oriented around differentiation. Differentiation may be expressed through clearer exception categories (e.g., family reunification, medical cases, verified students, cultural or scientific engagement under integrity controls) and through evidence-based criteria that separate sanctioned networks from non-complicit populations. Selective easing may be prompted by diplomatic negotiations, fatigue in domestic constituencies, or a desire to preserve EU credibility by avoiding indiscriminate social exclusion. It may also be triggered by judicial scrutiny that requires higher evidentiary standards for certain measures or associated-person criteria, thereby pushing policy towards better reason-giving and narrower targeting. In practice, easing is most likely to occur through guidance, licensing practice, and administrative priorities, rather than through headline “rollbacks”. Importantly, selective easing still requires credible enforcement; otherwise, exemptions become a circumvention channel. The scenario therefore presupposes a mature compliance ecosystem, including harmonised criminal enforcement for violations and improved information sharing across Member States³.

The hybrid scenario is the most realistic regime for long horizons: “strategic hardening with controlled openings”. Under hybrid logic, the EU simultaneously hardens enforcement and anti-circumvention measures while maintaining or even widening exemptions for protected categories, and it may tighten some social domains while easing others. This is consistent with a policy posture that seeks to maximise strategic pressure while minimising reputational costs and legal vulnerabilities. Hybrid models typically arise when the Union must reconcile diverse Member State preferences and when unanimity constraints prevent a clean move to either full tightening or broad easing. Hybrid governance also reflects the internal differentiation of EU policy competences: some measures are highly centralised in their legal form but decentralised in their implementation. Moreover, hybrid logic aligns with an enforcement-led approach, in which the operational focus is placed on closing loopholes, prosecuting facilitation, and using data-driven compliance screening. Policy briefs and enforcement analyses increasingly emphasise anti-circumvention as a core axis of sanctions effectiveness, implying that the “centre of gravity” shifts from writing ever broader prohibitions to making existing rules harder to evade⁴. Hybrid models therefore fit a world in which the EU’s normative stance remains firm, but policy instruments are calibrated through enforcement capacity and legal sustainability.

¹ Cook, L. (2025, November 7). *EU tightens visa restrictions on Russians over the Ukraine war and acts of sabotage*. Associated Press.

² Reuters. (2026, February 23). *EU adds eight Russian officials to human rights sanctions list*.

³ European Commission. (2024, May 17). *New EU rules criminalising the violation of EU sanctions enter into force*.

⁴ Jacques Delors Institute. (2025). *Tackling circumvention of EU sanctions*.

Table 4.4.1-1. Scenario matrix for EU social sanctions policy towards Russia (2026–2030)

Scenario	Core policy logic	Typical social instruments	Primary triggers	Binding constraints
Baseline (Managed continuity)	Preserve restrictive posture; refine implementation	Listings/travel bans; service restrictions; guidance/FAQs; stable exemptions	Status-quo war/security context; steady Member State consensus	Unanimity; administrative capacity; litigation risk
Tightening (Escalatory social containment)	Reduce social interfaces that enable risk and evasion	Stricter visa/mobility pathways; expanded listings; narrower access to certain services	Security incidents; sabotage/espionage concerns; visible circumvention	Domestic backlash; proportionality/legal review; divergent Member State interests
Selective easing (Conditional normalisation)	Differentiate populations; protect EU credibility; channel exemptions	Wider verified exemptions; clearer licensing; narrowed application to high-risk categories	Negotiations; domestic fatigue; judicial scrutiny on evidentiary standards	Circumvention risk; enforcement shortfalls; political veto players
Hybrid (Hardening + controlled openings)	Pressure maintained; enforcement strengthened; targeted humanitarian/reputational openings	Enhanced enforcement and screening; anti- circumvention focus; selective mobility/service corridors	Mixed signals: high enforcement demands + reputational/legal pressures	Implementation heterogeneity; data- sharing limits; unanimity bargaining

Authorship: analytical framework (this report) was prepared by the author (analytical synthesis based on EU primary and secondary sources cited in the text of Section 4.4.1)

Sources:

- Council of the EU, “EU Sanctions against Russia: Explained”.
<https://www.consilium.europa.eu/en/policies/sanctions-against-russia-explained/>
- Directive (EU) 2024/1226 (EUR-Lex). <https://eur-lex.europa.eu/eli/dir/2024/1226/oj/eng>
- European Commission (rules on criminalising sanctions violations).
https://enlargement.ec.europa.eu/news/new-eu-rules-criminalising-violation-eu-sanctions-enter-force-2024-05-17_en
- AP Report on Visa Tightening. <https://apnews.com/article/dc830d5f208539d91a5e18948280a5a9>
- Reuters report on human-rights listings — <https://www.reuters.com/world/europe/eu-imposes-sanctions-8-individuals-involved-human-rights-violation-russia-2026-02-23/>

Across all scenarios, the first driver cluster is the security context, which includes both battlefield dynamics and internal security considerations within the EU. A deteriorating security environment increases the political acceptability of restrictions that would otherwise be criticised as “collective social punishment”. Security context also affects the credibility of risk-based screening: where threats are salient, screening becomes a public expectation rather than a technocratic choice. Conversely, a stabilising security context does not automatically produce easing, but it can shift the debate from urgency to proportionality and sustainability. Importantly, “security” in this frame is broader than military risk; it includes sabotage concerns, disinformation, and the integrity of the Schengen area. The precedent of visa tightening justified on sabotage and misuse concerns illustrates how social restrictions can be framed as internal security policy rather than foreign policy alone¹. Over 2026–2030, security incidents in Member States could therefore act as catalytic events for tightening or hybrid hardening. By contrast, prolonged absence of security shocks can increase political space for selective easing via verified corridors.

¹ Cook, L. (2025, November 7). *EU tightens visa restrictions on Russians over the Ukraine war and acts of sabotage*. Associated Press.

The second driver cluster is EU domestic politics, including electoral cycles, coalition dynamics, and the framing of sanctions in the public sphere. Social sanctions are unusually exposed to domestic contestation because they create visible “boundary effects” that citizens can observe and interpret through moral and identity narratives. Domestic politics also shapes the unanimity calculus: Member States whose governments face higher populist pressure may demand either harder measures (to signal toughness) or more exceptions (to protect domestic interests and specific communities). The Reuters reporting on unanimity requirements for listings is a reminder that even widely supported measures may be held hostage by a single veto player in broader negotiations¹. Over time, domestic politics may push policy towards hybrid compromises: symbolic tightening paired with practical exemptions, or legal hardening paired with rhetorically “humane” openings. Domestic politics also interacts with administrative capacity, because the implementation burden falls on national agencies that respond to political priorities and budget constraints. Finally, domestic legitimacy concerns are amplified when sanctions are framed as affecting ordinary people rather than elites, increasing the need for differentiation narratives. A sustainable baseline therefore requires messaging that emphasises targeting, exemptions, and legal safeguards.

The third driver cluster is enforcement capacity, which determines whether policy is substantively effective or merely declaratory. Enforcement capacity includes the resourcing of customs, financial intelligence, police, prosecutors, consular services, and regulators, as well as the quality of inter-agency coordination and private-sector compliance. A major institutional development is the harmonisation of criminal offences and penalties for sanctions violations across the EU, which raises the expected cost of facilitation and supports a more enforcement-led model^{2,3}. When enforcement is credible, the EU can afford to be more selective and risk-based, because it can police exemptions and corridors. When enforcement is weak or uneven, policymakers may resort to broader bans because granular targeting becomes too costly to implement. This produces a paradox: low enforcement capacity can lead to stricter formal rules but poorer real-world outcomes, because evasion becomes concentrated in weak-link jurisdictions. Over 2026–2030, a material increase in enforcement capacity would favour hybrid and selective easing models, whereas persistent heterogeneity would bias towards symbolic tightening and formal breadth. In that sense, enforcement is a structural driver that shapes the feasible frontier of instrument design.

The fourth driver cluster is judicial review dynamics, encompassing both the Court of Justice of the EU and the General Court’s review of restrictive measures, as well as the Council’s evolving “standard of proof” and reasoning practices. Litigation does not merely remove individuals from lists; it shapes the design of criteria, the articulation of reasons, and the periodic review discipline. Summaries of recent case law indicate that the courts have annulled certain retention decisions where the evidentiary basis and reasoning were insufficient, which incentivises better documentation and narrower criteria^{4,5}. Judicial dynamics therefore favour targeting precision, procedural safeguards, and periodic reassessment, which is compatible with selective easing and hybrid models. At the same time, judicial review can also entrench restrictions by clarifying interpretation and confirming permissible scopes, thereby stabilising the baseline. A clear example of interpretative boundary-setting is the discussion in sanctions practice guides of CJEU reasoning on the scope of service bans under Regulation 833/2014, which affects how “social” and “professional” services are treated⁶. Over 2026–2030, judicial dynamics are likely to push policy away from vague “association” logics and towards evidentially supported risk narratives, reshaping how social sanctions are justified and defended.

¹ Reuters. (2026, February 23). *EU adds eight Russian officials to human rights sanctions list*.

² Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.

³ European Commission. (2024, May 17). *New EU rules criminalising the violation of EU sanctions enter into force*.

⁴ EUCRIM. (2025, October 27). *CJEU Rulings on Restrictive EU Measures against Russia (May – October 2025)*.

⁵ CURIA. (2025, April 2). *Judgement of the General Court (First Chamber)*.

⁶ Borovikov, E., Engelen, L., Ancion, A., Medvedkov, S. (2025, August 29). *Sanctions 2025: Law and Practice*. Chambers & Partners.

Table 4.4.1-2. Policy drivers and their directional effects on the four scenarios

Driver cluster	High intensity / strong presence tends to push towards	Low intensity / weak presence tends to push towards	Why it matters specifically for “social” sanctions
Security context	Tightening / Hybrid	Baseline / Selective easing	Social access framed as security risk (mobility, misuse, sabotage narratives)
EU domestic politics	Hybrid (compromise) or Tightening (symbolic toughness)	Baseline / Selective easing (less politicised)	Visible impacts on people; higher salience and polarisation
Enforcement capacity	Hybrid / Selective easing (risk-based)	Tightening by breadth (compensatory) or weak baseline effectiveness	Exemptions and corridors require credible enforcement and compliance
Judicial review dynamics	Selective easing / Hybrid (precision + safeguards)	Baseline (if litigation stabilises) or Tightening (if politics overrides)	Legitimacy and proportionality tests are sharper in social domains

Authorship: analytical framework (this report) was prepared by the author (analytical synthesis)

Sources:

- EUR-Lex Directive (EU) 2024/1226. <https://eur-lex.europa.eu/eli/dir/2024/1226/oj/eng>
- European Commission notice on entry into force. https://enlargement.ec.europa.eu/news/new-eu-rules-criminalising-violation-eu-sanctions-enter-force-2024-05-17_en
- EUCRIM case-law digest. <https://eucrim.eu/news/cjeu-rulings-on-restrictive-eu-measures-against-russia-may-october-2025/>
- CURIA (example restrictive-measures judgment). <https://curia.europa.eu/juris/document/document.jsf?docid=297466&doclang=en>
- Council sanctions explained. <https://www.consilium.europa.eu/en/policies/sanctions-against-russia-explained/>

From a scenario-selection perspective, the most decisive mechanism is the interaction between security context and domestic politics. Where security risks are elevated and electorates are anxious, the political cost of tightening decreases, and “symbolic” social measures become easier to adopt. Where security risks are elevated but domestic politics is fragmented, hybrid solutions tend to emerge, combining enforcement hardening with controlled exemptions. Conversely, where security risks are lower but domestic politics is polarised, policymakers may still pursue tightening for signalling reasons, even if the strategic payoff is limited. This matters because social sanctions are often used to demonstrate resolve in a way that is easily communicable to voters. The baseline scenario is strongest when both security salience and polarisation are moderate, allowing for managerial continuity. Selective easing requires not only reduced security salience but also a domestic political coalition that accepts differentiation narratives. Such narratives typically rely on explicitly protected categories (dissidents, journalists, family ties), which has already appeared in EU visa policy communication¹. Therefore, the political feasibility of easing is less about moral arguments alone and more about how “risk” is narratively and administratively managed.

Enforcement capacity acts as a “feasibility filter” across all scenarios. If enforcement is weak, tightening through broad restrictions becomes a substitute for precise implementation, but this can inadvertently increase the incentive for circumvention and third-country rerouting. If enforcement is strong, the EU can move towards narrower, more defensible measures while still maintaining pressure, because breaches become punishable and compliance becomes predictable. Harmonised criminalisation of

¹ Cook, L. (2025, November 7). *EU tightens visa restrictions on Russians over the Ukraine war and acts of sabotage*. Associated Press.

sanctions violations is a foundational step in this direction, although practical effectiveness depends on national transposition, resourcing, and prosecutorial priorities^{1,2}. Over 2026–2030, an enforcement-led posture would likely support hybrid models that combine selective access with tougher penalties for facilitation. In social sanctions, this is particularly relevant for service provision domains, where private entities (platforms, financial institutions, professional service providers) become quasi-enforcers through compliance screening. Commission interpretative guidance and FAQs can therefore be read as governance tools that steer the private sector’s risk appetite. This is one pathway through which baseline continuity becomes, in practice, tighter without headline legislative change.

Judicial review dynamics are often underestimated as a policy driver because they appear *ex post*, yet they structure the incentives for *ex ante* design. Where courts demand robust reasoning and evidence, the Council and Member States are pushed to adopt better documentation and clearer linkage criteria. This tends to reduce reliance on broad associative categories and to increase the share of targeted, individualised cases. Summaries of litigation outcomes in restrictive measures indicate that failures of reasoning and evidentiary support can lead to annulments, which is reputationally and institutionally costly for the Council³. In a tightening regime, this driver can create friction: political pressure may demand visible expansion, while legal sustainability demands precision. Hybrid strategies can reconcile the two by keeping the political message firm while narrowing the legally contestable components. Selective easing may also be partly “judicially induced” if risk-heavy measures prove vulnerable. Importantly, judicial review does not inherently weaken sanctions. It can strengthen them by forcing clarity, thereby improving compliance and reducing arbitrary application. Over 2026–2030, judicial dynamics are likely to push social sanctions towards more explicit risk rationales, verified exemptions, and periodic review routines.

Unanimity remains a structural constraint that conditions all scenario transitions. The requirement of unanimous agreement in the Council means that even a modest move towards tightening or easing can be blocked, delayed, or traded for concessions in other policy domains. Reporting on sanctions decisions frequently notes unanimity as a binding procedural condition, which implies that scenario shifts may occur in “packages” where multiple issues are bundled⁴. For social sanctions, unanimity can lead to hybrid outcomes, because compromise often takes the form of tighter formal language paired with broader exemptions or implementation discretion. This raises the importance of “soft law” instruments such as FAQs, interpretative guidance, and national administrative practice, which can evolve under the radar of headline unanimity politics. It also increases the relevance of thematic regimes (e.g., human rights listings) that can be expanded incrementally, sometimes with lower political cost than broad sectoral measures. Therefore, the EU’s social sanctions posture may tighten or soften through cumulative micro-adjustments rather than through a single landmark decision. Over 2026–2030, the most plausible trajectory is not a smooth path but a sequence of adjustments shaped by internal bargaining constraints.

A further cross-cutting driver is the EU’s external coordination environment, particularly alignment with partners and the management of third-country circumvention routes. Although this section focuses on social sanctions, it is difficult to separate social access from the broader compliance perimeter: mobility, services and reputational access can enable or constrain circumvention networks. Policy analysis on anti-circumvention increasingly emphasises that enforcement and implementation, rather than mere adoption, determine impact⁵. In a tightening scenario, the EU may place greater emphasis on constraining “social channels” that facilitate circumvention, such as tourism-linked services or professional services that can be repurposed. In selective easing, external coordination becomes essential to ensure that eased corridors are not exploited via third-country laundering. Hybrid strategies

¹ Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.

² European Commission. (2024, May 17). *New EU rules criminalising the violation of EU sanctions enter into force*.

³ EUCRIM. (2025, October 27). *CJEU Rulings on Restrictive EU Measures against Russia (May – October 2025)*.

⁴ Reuters. (2026, February 23). *EU adds eight Russian officials to human rights sanctions list*.

⁵ Jacques Delors Institute. (2025). *Tackling circumvention of EU sanctions*.

are again advantaged because they can harden enforcement while offering controlled access. Over 2026–2030, external coordination dynamics will likely interact with domestic politics, because perceived “leakage” through third countries can become a domestic controversy, pushing policy back towards tightening. Therefore, the credibility of anti-circumvention controls is not only a technical matter but a scenario determinant.

Scenario assessment should also incorporate the evolving role of Commission guidance and technical interpretation, which can effectively re-define the operational scope of restrictions without changing primary legal instruments. Updates to FAQs on service restrictions, including advanced technology and tourism-related services, show how the compliance perimeter can be clarified and expanded through interpretative practice¹. In baseline and hybrid scenarios, this “interpretative drift” is a key mechanism: policy becomes more targeted and enforceable through definitions, examples, and compliance expectations. In tightening scenarios, guidance can formalise stricter interpretations that reduce grey zones. In selective easing, guidance can create verified exemption channels and standardise criteria, reducing arbitrary outcomes. This driver matters for social sanctions because many social restrictions are implemented through services, intermediaries, and platforms that rely heavily on compliance interpretation. Over 2026–2030, the EU’s capacity to steer private-sector compliance through guidance will likely expand, creating a more data-driven governance style. The net effect is that the same headline restriction can become materially stricter or more permissive depending on interpretative and enforcement practice. Hence, scenario analysis must treat guidance as a quasi-instrument, not merely an explanatory annex.

Putting the drivers together, the baseline scenario appears most likely as a “default equilibrium”, with periodic tightening pulses when security salience spikes and selective easing micro-corridors when reputational and legal pressures accumulate. Tightening becomes dominant if security incidents and circumvention narratives converge with domestic political incentives for visible toughness. Selective easing becomes dominant only if a stabilising context coincides with strong enforcement capacity and a coalition willing to defend differentiation publicly. Hybrid governance is likely to be the modal outcome because it accommodates unanimity constraints and the need to reconcile enforcement hardening with legal sustainability. The criminalisation of sanctions violations across the Union is particularly supportive of hybrid and targeted approaches, because it raises the expected cost of facilitation and strengthens the credibility of compliance screening^{2,3}. Judicial review dynamics reinforce this by pushing the system towards better evidentiary standards and clearer reasoning⁴. Therefore, the 2026–2030 period is best characterised as an evolution towards enforcement-centred, legally defensible social restrictions, rather than an unstructured expansion of bans.

For the report’s purposes, the practical implication is that scenario monitoring should be built around leading indicators for each driver. Security indicators include major incidents attributed to Russian state or proxy activity, escalatory shifts in the war, and Schengen integrity concerns. Domestic political indicators include electoral outcomes in key Member States, coalition shifts, and public discourse on “fairness” and “collective punishment”. Enforcement indicators include transposition and practical application of sanctions criminalisation, resourcing trends, and the intensity of investigations and prosecutions. Judicial indicators include the share and success rate of annulment actions, and the emergence of doctrinal constraints on criteria and evidence. Because unanimity is a binding constraint, the report should also track veto risk and issue-linkage dynamics inside the Council. The scenario framework presented above offers a structured way to avoid ad hoc forecasts and to keep policy analysis grounded in observable drivers. Finally, the framework helps separate “headline politics” from

¹ Vinas, J. M., Pascual, D. S., Piruzyan, T., Machado, J., & Torrego, A. M. (2026). *EU sanctions update: Revised restrictions on the provision of services to Russia*. Squire Patton Boggs.

² European Parliament & Council of the European Union. (2024). *Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

³ European Commission. (2024, May 17). *New EU rules criminalising the violation of EU sanctions enter into force*.

⁴ EUCRIM. (2025, October 27). *CJEU Rulings on Restrictive EU Measures against Russia (May – October 2025)*.

operational governance, which is essential for analysing social sanctions that operate primarily through administrative and compliance infrastructures rather than solely through declarative legal texts. The EU’s public explanations of restrictive measures’ mechanics provide a stable baseline for this institutional reading¹.

4.4.2. Expected Evolution of Instrument Design

The expected evolution of EU social sanctions instruments in 2026–2030 is less about adding ever more prohibitions and more about refining how restrictions are scoped, implemented, verified, and enforced. After several years of iterative package-building, the EU toolkit is increasingly shaped by operational frictions: heterogenous Member State implementation, private-sector compliance costs, litigation exposure, and adaptation by Russia and third-country enablers. These frictions incentivise a design logic that favours narrower definitions, stronger evidentiary rationales, and clearer compliance pathways, rather than headline-driven breadth.

A central shift is likely to be the movement from “broad category bans” towards “targeted, data-driven controls”. In social sanctions, this translates into tighter specification of who is in scope (which natural persons, which entity types, which service relationships) and which activity triggers liability. The Commission’s approach to consolidating and updating implementation FAQs illustrates the emerging governance model: design is increasingly expressed through interpretative infrastructure rather than only through new legal text. A consolidated FAQ system acts as a living layer that reduces ambiguity, standardises market behaviour, and makes enforcement more predictable².

This evolution is reinforced by the EU’s explicit push to criminalise and harmonise sanctions violations across Member States, which changes the incentive landscape for both public enforcement and private compliance. Once violations and circumvention conduct are consistently treated as criminal offences with defined penalties, “precision” becomes a practical necessity: enforcement bodies require clearer elements of offences, and businesses demand clearer safe harbours and verification standards. Directive (EU) 2024/1226 is therefore not merely punitive; it is an indirect design driver pushing sanctions instruments towards better-defined categories and more auditable compliance controls^{3,4}.

Instruments restricting the provision of services are expected to become more “compliance-native”: designed from the outset for screening, record-keeping, and auditability. The Commission’s FAQs on service provision under Article 5n of Regulation 833/2014 provide a concrete model, with detailed clarification of prohibited service types and the conditions under which certain actions may be permitted. This design style tends to migrate from generic prohibitions to operationalisable rules—what a compliance team can actually implement at onboarding, at transaction level, and at monitoring level⁵.

A second design trend is the growth of verified exemptions and licensing pathways that are narrower, more standardised, and more evidence-dependent. Exemptions are politically and morally salient in the social domain (family ties, medical needs, education, and protected categories), but they also create circumvention opportunities if poorly controlled. The expected design response is not to abandon exemptions, but to “harden” them: stronger verification, clearer documentation requirements, time-bound permissions, and consistency through published guidance. Consolidated FAQs and targeted

¹ Council of the EU. (n.d.). *EU sanctions against Russia: questions and answers*. <https://www.consilium.europa.eu/en/policies/sanctions-against-russia-explained/>

² FAQs on sanctions against Russia and Belarus, with focus on the following provision: Article 5n of Council Regulation (EU) No 833/2014.

³ European Parliament & Council of the European Union. (2024). *Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

⁴ EUR-Lex Directive (EU) 2024/1226.

⁵ Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.

interpretative notes are likely to carry much of this load, because they can be updated faster than primary sanctions instruments¹.

A third trend is the narrowing and tiering of categories of goods and services that matter for circumvention and dual-use substitution. Even though this subsection focuses on social sanctions, in practice many social constraints are channelled through service provision and intermediated access (booking, payments, platforms, professional services, logistics-adjacent services). As EU sanctions evolve, restrictions on “enabling services” are likely to become more granular and explicitly linked to circumvention patterns. This is consistent with the EU’s declared emphasis on closing loopholes and increasing pressure on evasion networks rather than relying on blanket bans alone².

A fourth design evolution concerns the increasing use of risk-based due diligence and “calibrated” compliance programmes. The EU’s compliance helpdesk materials describe sanctions due diligence as a process of identifying and managing sanctions risks, which implicitly supports a design logic where obligations are scaled to risk exposure. In practical terms, this encourages instrument design that defines risk markers (ownership/control indicators, high-risk jurisdictions, certain trade/service typologies) and expects operators to adjust controls accordingly. This is a step towards a sanctions regime that resembles AML/CFT governance—less about a single prohibition and more about continuous risk management.

Risk scoring, in this context, does not necessarily mean an EU-wide public algorithm; it more plausibly means harmonised expectations about what constitutes “heightened risk” and what due diligence steps are proportionate. Where guidance becomes more detailed, firms can implement scoring models that are defensible under supervisory and prosecutorial scrutiny. The design implication is that future instruments will increasingly specify risk-relevant constructs—“owned/controlled”, “acting on behalf of”, “beneficial ownership”, “making economic resources available”, and circumvention-related conduct—because these terms are the backbone of any risk scoring model.

One should also expect a more explicit separation between “prohibited by law” and “high-risk but not automatically prohibited” activity. This matters in the social domain because many borderline cases revolve around service interfaces (platform access, professional services, cultural and educational engagement) where the EU may want to discourage normalisation without necessarily making every instance unlawful. A design pattern emerges: keep legal prohibitions targeted and defensible, while using guidance, supervisory pressure, and enforcement priorities to constrain the grey zone.

Alongside this, enforcement against circumvention is likely to be elevated as a primary design axis—sometimes even substituting for new bans. In effect, the EU can achieve additional constraint by making circumvention pathways more costly, rather than by expanding the formal perimeter of restrictions. The Commission’s and market commentators’ focus on anti-circumvention measures, including downstream compliance and third-country enablers, indicates that the future “growth point” of sanctions impact lies in implementation and enforcement mechanisms³.

This enforcement-centred design becomes more credible when the EU develops operational tools that target enabling infrastructure. The Council’s public “sanctions explained” materials explicitly highlight the listing of vessels associated with the shadow fleet and the provision of maritime services restrictions as part of the sanctions’ logic, which shows how the EU frames enforcement measures as integral to the instrument set. While maritime measures are not purely “social”, they illustrate the same design philosophy: target enablers and reduce the operational space for evasion⁴.

¹ 14th package of sanctions: advancing but with many compromises. (2024, July 16). EPC.

² Grant Thornton. (2025, September 16). *Anti-circumvention measures and downstream sanctions compliance: what they mean for businesses*.

³ Grant Thornton. (2025, September 16). *Anti-circumvention measures and downstream sanctions compliance: what they mean for businesses*.

⁴ Council of the European Union. (2025, December 18). *EU sanctions against Russia: Questions and answers*.

Recent reporting on EU proposals to move beyond price-cap mechanisms towards bans on maritime services for Russian crude shipping suggests that instrument design is actively exploring “enabler bans” that can be enforced through service chokepoints (insurance, brokering, flagging, and associated services). This is a template likely to diffuse into other domains where the EU can reach through service intermediaries rather than attempting to police every end-user transaction¹.

In the social sanctions’ domain, the analogue of “maritime service chokepoints” is platform, financial, and professional-services infrastructure. The Commission’s detailed service-provision FAQs show how the EU can operationalise such chokepoints: by specifying what services are in scope and under what conditions, and by making the compliance perimeter legible to providers. This suggests that 2026–2030 instrument design will likely contain more “service-definition density” rather than more general statements of principle².

Another expected evolution is a stronger emphasis on “verified identity and ownership reality” as a design principle, driven by circumvention via proxies and complex structures. Criminalisation of circumvention conduct in Directive (EU) 2024/1226 is directly relevant here: it frames concealment, misleading information, and proxy disposition of assets/resources as criminally relevant behaviour, which incentivises instruments that can be enforced through documentary evidence and traceability. As a result, future design may increasingly mandate or expect enhanced beneficial-ownership checks and “control” analysis in high-risk contexts³.

Implementation heterogeneity across Member States remains the practical constraint that shapes design choices. Where heterogeneity is high, policymakers tend to prefer instruments that are easier to apply uniformly—clear lists, narrow definitions, and standardised evidentiary requirements. Where heterogeneity decreases, selective easing corridors become safer because they can be monitored more consistently. The EU’s move to harmonise offences and penalties is implicitly an attempt to compress heterogeneity, thereby enabling more sophisticated, targeted design⁴.

Judicial review dynamics are likely to continue pushing design away from vague associative criteria and towards explicit linkage rationales. In the social domain, “design for defensibility” becomes a core principle: measures that are easier to justify as proportionate, targeted, and evidence-anchored are easier to sustain. This does not necessarily reduce pressure; rather, it changes the form of pressure from blunt restrictions to administratively robust targeting.

Over 2026–2030, a measurable shift is therefore expected from “blanket bans” to “narrower categories with verifiable exceptions”. The EU can preserve strategic signalling while reducing legal and reputational vulnerabilities by showing that restrictions are aimed at enablers, high-risk services, and concrete circumvention behaviours, while legitimate humanitarian or family pathways remain available under verification. This is not liberalisation; it is instrument maturation.

The likely net effect is a sanctions design architecture that resembles a layered control system: a relatively stable legal core (Regulation 833/2014 and linked instruments) complemented by an adaptive implementation layer (FAQs, notices, guidance) and an increasingly coercive enforcement layer (criminalisation, investigations, penalties). This architecture supports hybrid policy regimes described in Paragraph 4.4.1, because it allows the EU to tighten operationally without necessarily changing the entire legal perimeter each time.

¹ Turgunbaeva, A. (2026, February 26). *EU seeks G7 coordination on maritime services ban on Russian seaborne oil*. Reuters.

² Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

³ European Parliament & Council of the European Union. (2024). *Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

⁴ European Parliament & Council of the European Union. (2024). *Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

To make the above evolutions analytically usable for the report, the expected instrument design changes can be summarised as a practical design matrix, distinguishing scope, implementation, verification, and enforcement. Table 4.4.2-1 provides such a matrix and can be used as a checklist for evaluating new packages or guidance updates as they emerge.

Table 4.4.2-1. Expected instrument-design evolution in EU social sanctions (2026–2030): from broad restrictions to targeted, enforceable controls

Design dimension	Earlier tendency (broad/blanket logic)	Expected 2026–2030 tendency (targeted/data-driven logic)	Operational implication for social sanctions
Scope definition	Wide categorical restrictions; ambiguous edge cases	Narrower categories; higher definition density; explicit linkage rationales	Less discretion drift; clearer compliance boundaries for platforms and service providers
Exemptions	Broad humanitarian language; uneven practice	Verified exemptions; standardised documentation; time-bound permissions	“Corridors” become enforceable; reduced abuse via paper-based verification
Implementation layer	Reliance on primary legal texts	Stronger role of consolidated FAQs and interpretative guidance	Faster calibration without full legislative cycles; improved consistency across markets
Compliance model	Rule checking (lists/bans)	Risk-based due diligence, calibrated controls, internal risk scoring	Shift towards continuous monitoring, ownership/control analysis, and auditable decision trails
Enforcement emphasis	Additional bans as default response	Anti-circumvention enforcement, prosecutions, and enabler targeting	Higher cost of facilitation; pressure shifts to networks and intermediaries
Legal sustainability	Political signalling dominates design	“Design for defensibility”: proportionality, evidence, reviewability	Lower annulment exposure; more resilient long-term restrictions

Authorship: analytical framework (this report) was prepared by the author (analytical synthesis).

Sources:

- European Commission. https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/sanctions-adopted-following-russias-military-aggression-against-ukraine/frequently-asked-questions-sanctions-against-russia_en
- European Commission (2026, January 22). https://finance.ec.europa.eu/publications/provision-services_en
- EUR-Lex Directive (EU) 2024/1226: <https://eur-lex.europa.eu/eli/dir/2024/1226/oj/eng>
- EU sanctions due diligence helpdesk: https://eu-sanctions-compliance-helpdesk.europa.eu/sanctions-due-diligence-where-begin_en
- Commission FAQ on circumvention & due diligence. https://finance.ec.europa.eu/system/files/2023-06/faqs-sanctions-russia-circumvention-due-diligence_en.pdf
- Council of the EU (sanctions explained; shadow fleet context). <https://www.consilium.europa.eu/en/policies/sanctions-against-russia-explained/>

The design trends described above also imply a change in how “tightening” will look in practice. In earlier phases, tightening could be communicated as expanding lists or adding prohibited categories. In a more mature instrument environment, tightening may primarily mean strengthening enforcement, narrowing permissible interpretations, adding documentary requirements for exemptions, and targeting enablers in third countries. This is strategically meaningful because it reduces the marginal return of simple rerouting and proxy substitution.

Similarly, “easing” in 2026–2030 is likely to be procedural rather than permissive: clearer, faster, and more predictable exemption pathways for protected categories, rather than broad reopening. In social sanctions terms, this is compatible with a policy posture that aims to avoid conflating social pain with strategic gain, by demonstrating differentiation and integrity controls. The ability to maintain pressure

while widening verified humanitarian and family corridors depends directly on enforcement credibility and the deterrent effect of criminalisation for facilitation and circumvention¹.

Finally, the expected evolution of instrument design is likely to intensify the role of private actors as “compliance gatekeepers”. As service definitions become more detailed and enforcement more coercive, banks, platforms, insurers, and professional service providers will internalise sanctions risk as reputational and criminal exposure. EU-level guidance becomes the interface that translates public law into private decision-rules. In effect, the sanctions system increasingly operates through distributed compliance rather than centralised policing. This is precisely why instrument design is trending towards definitions, verification, and auditability: without those features, distributed compliance becomes inconsistent and vulnerable to legal challenge.

For the report’s analytical continuity, Paragraph 4.4.2 therefore supports a clear prospective claim: the EU’s social sanctions architecture in 2026–2030 is expected to converge on a model of targeted restrictions with hardened exemptions, implemented through adaptive guidance and backed by stronger enforcement against circumvention. The policy centre of gravity shifts from adding prohibitions to governing compliance behaviour and closing loopholes.

4.4.3. Anticipated Adaptation Pathways

Russia’s adaptation to EU social sanctions in 2026–2030 should be modelled as an ecosystem response rather than a set of isolated “workarounds”. The system evolves through a continuous feedback loop: EU restrictions and enforcement narrow some channels; Russian actors (state-linked and private) experiment with substitutes; third-country intermediaries professionalise; and EU counter-measures progressively shift from blanket prohibitions to anti-circumvention targeting and enforcement. This creates a dynamic in which certain pathways scale because they fit existing incentives and infrastructure, while others remain niche because they are costly, risky, or operationally brittle.

A useful starting point is to distinguish three adaptation layers: (1) Russia’s domestic substitution and parallel ecosystems; (2) third-country hubs that intermediate services, logistics, finance, and reputational access; and (3) individual-level behavioural adaptation, where households, students, travellers, and professionals change routes, identities, and platforms. Each layer is influenced by the same structural constraint: enforcement risk is rising as the EU expands its anti-circumvention posture and begins targeting enablers and third-country facilitators more directly. The Commission’s sanctions communications and the Council’s evolving package logic suggest a trajectory of increasing pressure on “profiteers” and “enablers” rather than only on Russia-resident actors.

At the Russia-domestic layer, the most robust adaptation pathway is the consolidation of parallel service ecosystems: domestically anchored alternatives for payments, consumer platforms, logistics aggregators, and media distribution. Such ecosystems reduce exposure to Western corporate exit decisions and make social restrictions less salient for the median consumer. The vulnerability of this pathway lies not in domestic acceptance but in the external interfaces—cross-border payments, cross-border trust, and cross-border compliance. Consequently, Russia’s adaptation increasingly emphasises “sovereign rails” domestically and “intermediated rails” externally, with third-country nodes acting as buffers.

Parallel imports are the clearest example of a workaround that initially scaled quickly but appears structurally constrained as enforcement and supply-chain friction increase. Russian officials have publicly indicated that parallel-import volumes declined materially during 2025, with monthly flows roughly halving versus early peaks and continuing to fall into early 2026 (including references to customs data and “all-time low” monthly figures). This does not mean the mechanism disappears; rather, it

¹ European Parliament & Council of the European Union. (2024). *Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

suggests that parallel import becomes more selective, more expensive, and more dependent on third-country compliance risk tolerance. The result is a shift from “mass parallel import” to “targeted parallel import” focused on critical categories and higher-margin goods, with greater reliance on professional intermediaries.

The third-country hub layer is where the most scalable adaptation is likely to persist, because it leverages global trade and service intermediation that the EU cannot fully control without imposing large collateral costs. Evidence from EU package practice indicates that Brussels is increasingly willing to list or restrict third-country entities involved in circumvention, including companies in Turkey, Vietnam, the UAE, Serbia, Uzbekistan, and others. This pattern implies that hubs are not static; they rotate, fragment, and professionalise in response to enforcement pressure. As one hub becomes “hot” (too visible), networks shift to secondary hubs, smaller operators, or layered routing through multiple jurisdictions.

Central Asia and parts of the Caucasus are likely to remain prominent in re-export and intermediary pathways, but their political exposure is rising. The EU’s anti-circumvention tool—explicitly designed to address circumvention “by or through third-country operators”—creates a credible threat of escalation from company-level listings to broader restrictions on sensitive export categories to specific third countries. Recent reporting on EU pressure towards Kyrgyzstan illustrates the logic: the EU frames unusual trade flow surges as evidence of re-export intended to breach sanctions, and signals that it is prepared to use novel instruments if cooperation is inadequate. Over 2026–2030, this will likely produce a bifurcation: some states and hubs will cooperate more, increasing compliance screening; others will litigate, resist, or become higher-risk channels that command higher fees.

A key point for 2026–2030 is that the EU appears prepared to move from sanctioning Russian assets to sanctioning third-country infrastructure nodes that materially enable Russian trade and revenue flows. Reuters reporting on proposed sanctions involving third-country ports (Georgia and Indonesia) handling Russian oil suggests a notable design step: targeting physical and operational chokepoints outside Russia’s territory, not merely Russian firms. For adaptation, the implication is straightforward: “hard infrastructure hubs” (ports, terminals, shipping services) become riskier, pushing workarounds either to more fragmented logistics or to less visible service-intermediation channels.

For individuals, adaptation will largely be behavioural and administrative: rerouting travel through third countries, using alternative booking and payment mechanisms, relying on intermediaries for document preparation, and diversifying residency and citizenship strategies where possible. The socio-economic pattern is likely to be strongly stratified: affluent and mobile populations will purchase “compliance management” through intermediaries; middle-income groups will rely on cheaper reroutes and informal solutions; and vulnerable groups will be most affected by restrictions and by the rising price of cross-border normalisation. This stratification is important analytically because social sanctions can disrupt elite–society linkages even when some elite channels remain open—access becomes rarer, more expensive, and more securitised.

Payment adaptation is likely to combine domestic substitution with external bridging. Russia’s domestic messaging and card infrastructure (e.g., SPFS and Mir) can reduce internal dependence on Western providers, but cross-border usability remains limited and politically sensitive. Over time, the most scalable solution tends to be indirect: third-country banking, trade finance intermediaries, and multi-currency settlement arrangements rather than direct substitution of SWIFT at scale. Analytical treatments of Russia’s payment rails emphasise that SPFS was developed as a SWIFT alternative and that domestic rails can function robustly internally, while external connectivity depends on foreign counterparties and their risk appetite. The EU’s enforcement trajectory—especially criminalisation and the tightening of circumvention scrutiny—will raise the cost of external counterparties providing that connectivity, pushing networks towards jurisdictions and institutions with higher tolerance for reputational and legal risk.

The next adaptation pathway is the professionalisation of proxy arrangements: nominee ownership, layered corporate structures, and “acting on behalf of” relationships designed to obscure beneficial

ownership and control. This is precisely the behaviour that EU anti-circumvention policy increasingly targets, and why the shift towards enforcement against facilitation is so strategically relevant. The European Parliament’s research services summarise the EU’s increasing focus on circumvention and the role of third-country operators in maintaining Russia’s access to restricted items, which is directly transferable to social and service domains where proxies can function similarly. From a forecast perspective, proxy structures will continue to exist but will become more expensive and more fragile as compliance expectations become more data-driven and enforcement more punitive.

Another pathway is the creation of “parallel professional services” in friendly jurisdictions: legal services, corporate services, insurance/ship management, recruitment, and digital platform services that support Russia-linked clients while avoiding EU jurisdiction. EU package logic already signals an expansion of attention to enablers: the Commission’s descriptions of later packages emphasise targeting “enablers and profiteers” alongside core Russian sectors. The forecast implication is that professional services will increasingly be routed through non-EU hubs, with EU exposure limited through corporate structuring. However, as the EU expands third-country listings, service providers in major hubs may demand higher compliance assurances, pushing some activity into smaller, less regulated jurisdictions.

Not all workarounds scale equally. Those requiring large, visible infrastructure and stable high-volume counterparties (e.g., heavy reliance on a small number of large ports or banks) are increasingly vulnerable to enforcement targeting and reputational pressure. By contrast, workarounds that are distributed, modular, and service-intermediated (small re-exporters, multi-step logistics, layered fintech solutions) are harder to eliminate entirely but suffer from inefficiency and rising transaction costs. Over 2026–2030, the EU’s likely success will not be measured by eliminating all evasion, but by raising the cost, reducing reliability, and forcing continuous adaptation cycles that consume resources and degrade normalisation.

Trade statistics provide an important contextual anchor: despite the major contraction, EU–Russia trade flows have not dropped to zero, and the pattern fluctuates by quarter. Eurostat notes substantial declines in exports and imports relative to 2022 levels and still reports meaningful quarterly movements through 2025. This matters for adaptation analysis because “residual flows” create opportunities for social and service intermediation: where some legal trade continues, services and financial arrangements cluster around it, creating grey zones that can be exploited.

At the same time, the EU’s package practice signals that it will increasingly treat certain trade-flow anomalies as circumvention indicators, especially when spikes appear in small third countries that do not plausibly consume the goods domestically. The Kyrgyzstan case illustrates how Brussels operationalises this logic: sharp increases in imports of high-risk goods followed by increases in exports to Russia are treated as circumvention signals. For forecasting, this suggests that 2026–2030 will see more “trade-flow intelligence” being used to justify targeted pressure, including listings and potentially anti-circumvention restrictions.

The design implication for adaptation is that third-country hubs will invest in compliance theatre—documentation, end-user certificates, and formal controls—to preserve access to EU goods and markets, while still enabling some Russia-directed flows. The most sophisticated networks will therefore become more “paper-compliant”, using documentation layers that satisfy superficial checks. This will push EU enforcement towards deeper verification and intelligence-led investigations, increasing the advantage of Member States with stronger enforcement capacity and inter-agency coordination.

Parallel imports illustrate another distinction: scale depends not only on Russia’s demand but also on the willingness of intermediaries to accept enforcement risk and on the friction at borders. Reports linking declines in parallel imports to tighter controls and border delays imply that physical and administrative constraints can materially reduce throughput. Therefore, the 2026–2030 expectation is not that parallel imports vanish, but that they move towards a smaller, higher-risk, higher-margin

equilibrium—important for certain categories, but less capable of supporting broad consumer normalisation at the levels observed in early sanction years.

Over the long horizon, a subset of workarounds is likely to remain niche because it is either operationally complex (requires high trust across borders), financially inefficient, or politically volatile (dependent on a single government's tolerance). Conversely, workarounds that align with existing global trade patterns, diaspora networks, and service intermediation will persist, though in a continuously contested space. This reinforces the relevance of a differentiated forecast: instead of asking “will Russia evade sanctions?”, the relevant question becomes “which evasion pathways scale under increasing enforcement, and what is their cost structure?”

To operationalise this distinction for the report, Table 4.4.3-1 classifies key pathways by scalability, principal constraints, and the EU's likely counter-levers. The intent is not to predict individual cases, but to provide a structured lens that can be updated as new packages, listings, and guidance emerge.

Table 4.4.3-1. Anticipated adaptation pathways (2026–2030): scalable workarounds vs niche workarounds

Pathway	Why it scales (or not)	2026–2030 outlook	EU counter-levers (most relevant)
Third-country re-export hubs (distributed traders)	Modular networks; can rotate jurisdictions	Scales, but with rising costs and rotation	Anti-circumvention tools; third-country entity listings; trade-flow analytics pressure ¹
Parallel imports into Russia	Demand-driven; relies on intermediaries and logistics	Partially scales, trend towards contraction and selectivity	Enforcement, border scrutiny, targeting facilitators; narrowing permissive categories ²
Alternative payment messaging/rails (domestic)	Strong domestic functionality	Scales domestically, limited cross-border reach	Pressure on foreign counterparties; sanctions risk for facilitators ³
Cross-border payments via third-country banks	Uses existing banking and FX intermediation	Scales, but higher AML/sanctions compliance friction	Listings, enforcement cooperation, criminalisation risk and deterrence (via enforcement posture) ⁴
Proxy ownership / nominee structures	Useful for concealment; adaptable	Persists, but becomes costlier and more fragile	Beneficial ownership checks; enforcement against facilitation; targeted listings ⁵
Use of specific third-country infrastructure nodes (ports/terminals)	High throughput but visible and concentrated	Vulnerable; tends to become niche under targeted pressure	Infrastructure targeting; services restrictions; listings affecting third-country nodes ⁶
Individual rerouting (travel, study, services)	Behavioural flexibility; diaspora networks	Scales for mobile groups; unequal access by income	Visa scrutiny; risk-based screening; targeted travel bans/listings

Authorship: analytical framework (this report) was prepared by the author (analytical synthesis based on sources cited in Table 4.4.3-1 and in the text of Section 4.4.3)

Sources:

¹ EU sanctions against Russia 2025:

https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/767243/EPRS_BRI%282025%29767243_EN.pdf

² Russian official statements on parallel imports decline: <https://www.themoscowtimes.com/2026/01/09/russias-parallel-imports-of-western-goods-fall-nearly-50-in-2025-a91641>

³ Instant Payments Russia: <https://www.lightspark.com/knowledge/instant-payments-russia>

⁴ Payne, J. (2025, May 20). *What's in the EU's new Russia sanctions*. Reuters.

⁵ Jacques Delors Institute. (2024, October). *Tackling Circumvention of EU Sanctions*.

⁶ Payne, J. (2026, February 9). *EU proposes sanctions on Georgian, Indonesian ports for handling Russian oil*. Reuters.

A second operational lens is to classify third-country hubs by their functional role (logistics, corporate services, finance, platform/services) and by the risk markers that the EU is likely to use for enforcement

prioritisation. The EU has already demonstrated an appetite for listing third-country entities involved in circumvention, including multi-jurisdiction patterns (Turkey, Vietnam, UAE, Serbia, Uzbekistan) in formal package communications. The enforcement implication is that hubs are likely to diversify and specialise: some will become “trade-and-logistics specialists”, others “corporate structuring specialists”, and others “financial bridging specialists”.

Recent press reporting indicates that the EU is also exploring “sanctions on infrastructure” and country-level tools as escalation options, particularly where trade-flow data suggests systematic re-export of sensitive items. If operationalised, this would introduce a new adaptation constraint: small economies with concentrated trade exposure could face disproportionate costs, increasing their incentive either to cooperate more (tighten controls) or to contest EU measures legally and politically.

Table 4.4.3-2. Third-country hub typology (2026–2030): roles, scalable functions, and EU risk markers

Hub function	Typical jurisdictions (illustrative, non-exhaustive)	What it enables	EU risk markers likely used	Evidence of EU attention
Re-export and trade intermediation	Central Asia / Eurasian corridor (e.g., Kyrgyzstan context)	Rerouting of restricted goods; fragmentation of supply chains	Trade-flow spikes in high-risk items; mismatch between imports and domestic demand	EU pressure and potential first use of anti-circumvention tool (Kyrgyzstan) ¹
Corporate and professional services intermediation	Turkey, UAE, Serbia, Uzbekistan (examples from package listings)	Proxy ownership, contracting, brokerage, management services	Beneficial ownership opacity; linkages to listed entities; repeated patterns across cases	EU 17th package lists third-country companies engaged in circumvention ²
Financial bridging and settlement	UAE / third-country banking nodes (illustrative)	Payment routing, FX conversion, trade finance facilitation	Unusual payment corridors; counterparties tied to high-risk trade; facilitation indicators	EU focus on enablers; sanctions packages targeting facilitators ²
Logistics infrastructure nodes	Ports/terminals outside Russia (e.g., Georgia/Indonesia ports in Reuters proposal)	Physical throughput for oil and goods; services chokepoints	Concentrated throughput; visible contractual reliance; identifiable service providers	EU proposals to target third-country ports handling Russian oil ³

Authorship: analytical framework (this report) was prepared by the author (analytical synthesis).

Sources:

¹ Turgunbaeva, A. (2026, February 26). *EU tells Kyrgyzstan to crack down on re-export of sanctioned goods to Russia*. Reuters.

² European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

³ Payne, J. (2026, February 9). *EU proposes sanctions on Georgian, Indonesian ports for handling Russian oil*. Reuters.

Taken together, these pathways imply that Russia’s most durable adaptation model for 2026–2030 is “intermediated normalisation”: Russia reduces direct exposure to EU controls by inserting third-country buffers, while domestic substitution reduces dependence on Western consumer and platform ecosystems. EU policy, in turn, is converging on a regime that targets enablers and circumvention channels, including third-country companies and potentially third-country infrastructure. The contest thus shifts from headline prohibitions to a competitive struggle over the cost and reliability of intermediated access.

This suggests a clear forecast separation between what scales and what remains niche. Scalable workarounds are those that can distribute risk across many small nodes and maintain plausible deniability through paperwork and routing. Niche workarounds are those that require high-visibility infrastructure, stable large counterparties, or a small number of permissive jurisdictions whose political

tolerance may change. As enforcement tightens, scalable workarounds become more expensive and less reliable, which can still be strategically meaningful for the EU even if evasion is not eradicated.

Finally, adaptation should be expected to produce a second-order social effect: rising inequality in cross-border access. The better-resourced segments of Russian society and Russia-linked networks will secure intermediated solutions, while broader populations face friction, costs, and exclusion from “normal” cross-border mobility and services. This matters because it can shift the domestic political meaning of sanctions from collective deprivation to stratified access, altering both Russian internal narratives and EU legitimacy debates. The analytical value for this report is that such stratification can be monitored through observable indicators: the cost of intermediary services, the concentration of routing jurisdictions, the frequency of third-country listings, and the evolution of trade-flow anomalies that trigger enforcement pressure.

4.4.4. Effectiveness Outlook and Evaluative Framework

Effectiveness in the social-sanctions domain cannot be treated as a synonym for “pain” or “inconvenience”. The EU’s social restrictions (mobility constraints, access limitations, reputational exclusion, service denial, and the narrowing of normalisation pathways) are instruments intended to shape strategic behaviour and to constrain the political–economic interfaces through which influence, resources, and legitimacy travel. A credible evaluative approach therefore requires an explicit theory of change: what social sanctions are expected to do, through which mechanisms, and at what level of analysis (individual, network, state, or cross-border ecosystem). Without that theory, evaluation collapses into impressionistic moral claims—either that sanctions are “too harsh” because they produce visible hardship, or “too weak” because workarounds exist.

A realistic outlook for 2026–2030 is that social sanctions will remain a stable element of the EU’s restrictive measures architecture, but the centre of gravity will continue shifting from “expansion by breadth” to “effectiveness by enforcement”. EU institutions openly frame effectiveness as a function of implementation and enforcement capacity, emphasising Member State responsibility and Commission support mechanisms designed to close gaps, clarify rules, and strengthen compliance. The Commission’s “making sanctions effective” materials and the EEAS framing of “enhancing effectiveness” both point towards a governance model where effectiveness is pursued through coordination, guidance, enforcement tools, and improved information sharing rather than solely through adding new prohibitions¹. This institutional posture is especially consequential for social sanctions, because their impact often depends on administrative practice (visa screening, licensing/exemptions, platform compliance) rather than on a single measurable macroeconomic variable.

An evaluative framework must also accommodate the fact that social sanctions have multiple objectives that can conflict in the short term. Deterrence and signalling may require clarity and firmness, while legitimacy and legal sustainability require proportionality, differentiation, and protected corridors for humanitarian or family cases. This tension is not a policy failure; it is the defining design constraint of the social-sanctions domain. Where the framework is missing, institutions risk substituting “visibility” for “effectiveness” by privileging measures that are easy to communicate (e.g., categorical restrictions) even when they generate unintended spillovers and are vulnerable to judicial challenge.

In this report, “effectiveness” should be operationalised along four dimensions that correspond to the strategic logic of social sanctions: (1) deterrence (reducing the attractiveness or feasibility of certain behaviours); (2) signalling (communicating resolve, norm boundaries, and costs of aggression); (3) disruption of elite–society linkages (raising the friction of transnational status, access, and asset-service interfaces that connect elites to European infrastructures); and (4) raising the costs of normalisation (making it materially and reputationally harder to maintain “business as usual” social presence while aggression continues). These dimensions align with how EU sanctions are framed publicly—as

¹ European Commission. (2025). *Making sanctions effective*.

restrictive measures that constrain targeted persons and deny resources and access—while also reflecting the social-specific goal of constraining normalisation narratives¹.

Deterrence, in the social context, should be understood primarily as deterrence by denial and deterrence by risk. Deterrence by denial occurs when access to European services, platforms, or mobility channels becomes structurally harder for sanctioned networks, reducing their ability to convert wealth into safety, convenience, and legitimacy. Deterrence by risk occurs when enforcement and criminalisation increase the expected legal consequences for facilitators, intermediaries, and enablers, thereby shrinking the ecosystem that makes evasion easy. The criminalisation and harmonisation of sanctions violations under Directive (EU) 2024/1226 matters here: it raises the expected cost of facilitation and circumvention across Member States and makes “compliance as governance” more credible². In a 2026–2030 outlook, deterrence effects will likely be more visible in the behaviour of intermediaries and service providers than in the behaviour of primary targets, because intermediaries are typically more sensitive to legal risk and reputational exposure.

Signalling is frequently treated as “soft”, but it is measurable if one evaluates whether signals are coherent, sustained, and behaviour-shaping in third parties. In the social domain, the signal is not only directed at Russia; it is directed at EU domestic audiences, partner states, third-country hubs, and private operators. A coherent signal has at least three properties: consistency over time, clarity of scope, and credibility of enforcement. EU institutional messaging that centres enforcement and implementation indicates a deliberate attempt to maintain signal credibility even as instrument design becomes more targeted and data-driven³. A signal that is strong in rhetoric but weak in enforcement tends to produce adverse learning: it teaches networks that compliance is optional and that workarounds are low risk.

Elite–society linkage disruption is the most sensitive and most often misunderstood objective. The point is not to maximise broad social hardship; rather, it is to restrict the ability of influential strata and networks to externalise risk and to rely on European infrastructures for status reproduction (education, travel, healthcare access, professional services, brand legitimacy, property-service ecosystems). This objective is inherently network-based: it concerns how access to Europe functions as an anchor for “exit options” and as a mechanism of social prestige. Effectiveness here can be assessed by the degree to which elite access becomes more frictional, more conditional, and more dependent on intermediaries that are themselves exposed to enforcement pressure.

Raising the costs of normalisation is best conceptualised as a long-run constraint on “everyday legitimacy”. It involves ensuring that social participation in European systems—physical mobility, reputational platforms, cultural circuits, and service markets—does not remain frictionless while aggression persists. This objective is often attacked as “symbolic”, but symbols matter in international politics precisely because they structure what is treated as normal. The EU’s emphasis on effectiveness and enforcement demonstrates that it is aware that normalisation costs cannot be raised through declarations alone; they must be enacted through implementable, defensible rules and consistent enforcement⁴.

For 2026–2030, the effectiveness outlook should therefore be framed as “partial effectiveness with contested margins”. Russia and third-country intermediaries will continue adapting, so effectiveness should not be defined as eliminating workarounds. Instead, effectiveness should be defined as forcing adaptation into higher-cost, higher-risk, lower-reliability channels; shrinking the pool of willing facilitators; and narrowing the space for reputational normalisation within EU jurisdictions. This is

¹ European External Action Service. (2025, January 9). Increasing the effectiveness of sanctions.

² European Parliament & Council of the European Union. (2024). *Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

³ European Commission. (2025). *Making sanctions effective*.

⁴ European Commission. (2025). *Making sanctions effective*.

consistent with the broader shift described in 4.4.1–4.4.3 towards enforcement against circumvention and towards more auditable, risk-based implementation.

To translate the above into an evaluative framework, the report should avoid single metrics and adopt a dashboard approach with (1) output indicators (what the EU and Member States do), (2) outcome indicators (how behaviour changes), and (3) integrity indicators (whether the measures remain lawful, proportionate, and credible). EU-level initiatives explicitly designed to support sanctions due diligence, risk identification, and red-flag detection provide practical anchors for what “outputs” should look like in a mature enforcement system¹. The Commission’s 2023 guidance on circumvention risks is similarly relevant, as it formalises a risk-assessment posture that can be translated into measurable compliance expectations and enforcement priorities².

A critical evaluative distinction is between effectiveness at the rule level and effectiveness at the ecosystem level. Rule-level effectiveness asks whether a specific restriction (e.g., a service ban, a listing criterion, a travel-ban category) is implemented consistently, with clear guidance and enforceable standards. Ecosystem-level effectiveness asks whether the overall environment for circumvention and normalisation becomes more constrained over time. The first can improve while the second remains noisy, because networks substitute and reroute. Conversely, ecosystem constraints can tighten even if individual rules appear porous, if enforcement changes the risk calculus for facilitators.

Another vital element is legal sustainability, because social sanctions are especially exposed to proportionality and rights-adjacent arguments. A sanctions regime that is frequently annulled or credibly challenged loses signal credibility and creates compliance uncertainty. Analytical work produced for the European Parliament on evaluating the effectiveness of EU sanctions regimes explicitly discusses sanctions evaluation and proposes assessment frameworks—useful as a methodological reference for this report’s evaluative section, even when the substantive regime differs (e.g., global human rights sanctions)³. The methodological lesson is that evaluation should incorporate implementability, coherence, and evidence standards alongside impact.

From a governance standpoint, enforcement capability is not merely a background variable. It is a measurable determinant of effectiveness. With Directive (EU) 2024/1226, the EU has an explicit legal foundation for converging enforcement consequences across Member States⁴. This supports evaluation through proxies such as: transposition completeness, investigative activity, prosecution rates, and the deterrent effect on intermediaries. Even where comparable EU-wide data are imperfect, the report can operationalise these proxies through qualitative scoring and evidence-based case sampling (e.g., public enforcement announcements, court decisions, compliance-sector data).

Private-sector compliance is the transmission belt for much of social-sanctions effectiveness: platforms, financial institutions, professional service providers, and mobility intermediaries enact restrictions through onboarding, screening, de-risking, and refusals of service. EU tools that guide SMEs through sanctions due diligence and provide red-flag indicators signal an intention to broaden compliance capability beyond large financial institutions⁵. In evaluation terms, this suggests a measurable pathway: improved guidance and support should reduce accidental breaches, increase detection of circumvention indicators, and raise the overall cost of facilitation by shrinking the “grey compliance” space.

However, the evaluative framework must explicitly reject the fallacy of “workaround existence = ineffectiveness”. In contested sanctions environments, workarounds are expected; the relevant question is whether they become more costly, more brittle, and more concentrated in high-risk corridors that can be targeted. This is why an enforcement-led model—supported by risk guidance and

¹ EU Sanctions Compliance Helpdesk. (n.d.). *Sanctions due diligence: Where to begin*.

² European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.

³ European Parliament. (2025). *Effectiveness of the EU global human rights sanctions regime*.

⁴ EUCRIM. (2024/2025). *The new Directive on the violation of Union restrictive measures in the context of the EPPO*.

⁵ EU Sanctions Compliance Helpdesk. (n.d.). *Sanctions due diligence: Where to begin*.

criminalisation—matters more in 2026–2030 than any single additional ban¹. The EU’s “making sanctions effective” framing effectively endorses this view by treating implementation as the locus of impact².

A second evaluative pitfall is conflating social suffering with strategic gain. Social sanctions can impose broad friction, but strategic effectiveness depends on whether that friction translates into constrained capability, constrained normalisation, or constrained elite-network interfaces. The report should therefore incorporate “ethical and legitimacy guardrails” as evaluation criteria: measures should be assessed not only by pressure effects but also by differentiation, exemption integrity, and minimisation of unintended spillovers that undermine EU credibility. This is aligned with the rationale in legal commentary on the sanctions-violations directive, which emphasises avoiding unintended spillovers while strengthening enforcement³.

A third pitfall is ignoring time horizons and adaptation cycles. Many effects are delayed: reputational exclusion can shift elite behaviour over years; enforcement hardening can take time to translate into prosecutions; and third-country hubs can rotate before the EU targets the new corridor. Therefore, the evaluative framework should be built for trend detection and adaptive updates rather than one-off judgments. In practical terms, this means combining quantitative signals (where available) with structured qualitative assessments updated by package cycles and enforcement developments.

Table 4.4.4-1 provides a structured evaluative framework that translates the four effectiveness dimensions into measurable indicators, data sources, and interpretive cautions. The table is designed as an instrument for ongoing monitoring across 2026–2030, aligned with the EU’s emphasis on implementation and compliance support.

Table 4.4.4-1. Evaluative framework for social-sanctions effectiveness (2026–2030): dimensions, indicators, and evidence sources

Effectiveness dimension	What success looks like	Candidate indicators (dashboard)	Primary evidence sources (indicative)	Key interpretive caution
Deterrence (by denial & risk)	Facilitators withdraw; access becomes higher-risk and less reliable	Growth in enforcement actions; increased de-risking by intermediaries; compliance screening intensity; documented reductions in low-risk facilitation channels	EU enforcement/implementation materials; Member State enforcement releases; EU operator guidance; compliance helpdesk materials ¹	Enforcement activity can spike due to better detection, not necessarily more violations
Signalling	Message is coherent, credible, and sustained	Consistency of Council/EEAS framing; stability of policy posture; clarity and update frequency of FAQs/guidance; partner alignment statements	EEAS effectiveness framing; Commission “making sanctions effective”; Commission FAQ infrastructure ²	Signals can be strong rhetorically but weak operationally; credibility depends on enforcement
Elite–society linkage disruption	Elite access becomes conditional, costly, and less prestige-enhancing	Higher use of intermediaries; reduced direct use of EU infrastructures; shift to third-country “buffer services”; patterns in listings and enforcement focus on enablers	Commission anti-circumvention guidance; enforcement emphasis; package implementation summaries ³	Proxy and intermediated access persists; evaluate cost/fragility rather than existence
Cost of normalisation	“Business as usual” becomes more frictional	Increased refusal rates by platforms/providers; tighter exemption verification; rising	Commission guidance/FAQs; sanctions due diligence tools; enforcement posture materials ⁴	Avoid equating broad exclusion with effectiveness; differentiate

¹ European Commission. (2023). *Guidance for EU operators: Risk assessment of possible sanctions circumvention* (PDF).

² European Commission. (2025). *Making sanctions effective*.

³ EUCRIM. (2024/2025). *The new Directive on the violation of Union restrictive measures in the context of the EPPO*.

Effectiveness dimension	What success looks like	Candidate indicators (dashboard)	Primary evidence sources (indicative)	Key interpretive caution
	and reputationally constrained	transaction costs for cross-border social participation		protected categories

Authorship: analytical framework (this report) was prepared by the author (analytical synthesis).

Sources:

¹ EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk (platform overview)*.

² European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

³ European Commission. (2025). *Making sanctions effective*.

⁴ EU Sanctions Compliance Helpdesk. (n.d.). *Sanctions due diligence: Where to begin*.

To strengthen robustness, the report should also define a small set of “integrity metrics” that prevent the evaluation from drifting into consequentialism. These integrity metrics address legality, proportionality, differentiation, and implementation consistency—because a system that is operationally effective but legally fragile will generate reversals and compliance uncertainty. Judicial dynamics, in particular, are not only constraints but part of effectiveness: a legally sustainable regime is harder to undermine. Methodological work on sanctions effectiveness produced for the European Parliament is useful here, as it explicitly discusses evaluation of sanctions effectiveness and frameworks for assessment¹.

Table 4.4.4-2 proposes an integrity and legitimacy sub-framework designed to accompany the effectiveness dashboard. It aligns with the enforcement-and-guidance evolution described earlier: the more the EU relies on distributed compliance, the more it needs legal clarity and safe, verifiable exemptions to maintain legitimacy and avoid indiscriminate spillovers.

Table 4.4.4-2. Integrity and legitimacy guardrails for evaluating social sanctions (2026–2030)

Guardrail	What to test	Practical proxy indicators	Why it matters for effectiveness
Proportionality and differentiation	Measures target high-risk actors while protecting legitimate categories	Documented exemption pathways; evidence standards for listings; clarity of guidance	Preserves EU credibility; reduces litigation vulnerability and “collective punishment” narratives
Consistency of implementation	Similar cases treated similarly across Member States	Convergence in guidance use; reduction in contradictory national practice; compliance helpdesk uptake	Predictability increases compliance; inconsistency creates loopholes and undermines signal
Exemption integrity	Exemptions are verifiable and not a circumvention channel	Documentation requirements; audit trails; enforcement cases involving exemption abuse	Supports selective corridors without opening systematic leakage
Enforcement fairness and focus	Enforcement targets facilitation and high-impact evasion	Share of actions against enablers vs low-level accidental breaches	Keeps deterrence credible; avoids chilling legitimate activity
Transparency of governance	Guidance and FAQs updated and accessible	Frequency and clarity of FAQ updates; operator guidance distribution	Reduces grey zones; improves private-sector compliance and reduces unintended breaches

Authorship: analytical framework (this report) was prepared by the author (analytical synthesis).

Sources:

- European Commission. (2025). *Making sanctions effective*.
- European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.
- EU Sanctions Compliance Helpdesk. (n.d.). *Sanctions due diligence: Where to begin*.

¹ European Parliament. (2025). *Effectiveness of the EU global human rights sanctions regime*.

On balance, the 2026–2030 effectiveness outlook is best stated cautiously but firmly: social sanctions will not “stop” adaptation, but they can remain strategically effective if they continuously raise the cost and risk of normalisation and facilitation, and if they constrain elite-network interfaces with European infrastructures. The strongest driver of improved effectiveness is likely to be enforcement convergence and the criminalisation of sanctions violations, which should reduce weak-link jurisdictions and increase the deterrent effect on intermediaries. The second driver is the maturation of risk-based guidance and due diligence support, which broadens compliance capability beyond large financial institutions and reduces the circumvention value of grey zones¹.

At the same time, the report should explicitly acknowledge the principal limits to effectiveness. First, social sanctions operate in a high-visibility space where legitimacy challenges are structurally persistent. Secondly, third-country buffering will continue, so the EU’s leverage is asymmetric and depends on its willingness to target enablers and to absorb diplomatic costs. Thirdly, measurement is difficult: many outcomes are private (refusals of service, de-risking decisions, compliance escalations) and not fully observable. These limits do not invalidate effectiveness; they define why a dashboard framework with both impact and integrity criteria is necessary.

Finally, evaluation should be framed as an iterative governance practice rather than a one-off verdict. The EU’s emphasis on implementation, guidance, and support mechanisms implicitly treats effectiveness as something to be produced over time through coordinated governance². For this report, that implies a practical recommendation: maintain a standing monitoring template (Tables 4.4.4-1 and 4.4.4-2) updated each package cycle and each material enforcement development, with special attention to (1) shifts in the behaviour of intermediaries, (2) the tightening or hardening of exemptions, and (3) signs of enforcement convergence or fragmentation across Member States. In a social-sanctions context, this is the most defensible way to assess effectiveness without conflating social hardship with strategic gain.

4.5. Proposals for Ethically Robust Social Measures against Russia

4.5.1. Design Principles: Proportionality, Precision, and Reversibility

Ethically robust social measures against Russia in 2026–2030 must begin from the premise that “social pressure” is not, by itself, a legitimate policy objective. The legitimate objectives are the protection of European security, the defence of international order, the reduction of Russia’s capacity to sustain aggression, and the maintenance of EU normative credibility. Social measures are ethically robust only when they are tethered to those objectives through a transparent, legally grounded, and reviewable theory of change. This is especially important because social sanctions operate close to rights-adjacent domains such as mobility, access to services, education, family life, and reputational participation in European systems. The ethical risk is that measures drift from targeted pressure into diffuse exclusion that is hard to justify and easy to contest. The EU’s constitutional framework requires that limitations on rights be “provided for by law”, respect the essence of rights, and satisfy proportionality by being necessary and genuinely meeting recognised objectives^{3,4}. That requirement is not a constraint to be managed reluctantly; it is the core design principle that differentiates lawful pressure from arbitrary

¹ European Commission. (2023). *Guidance for EU operators: Risk assessment of possible sanctions circumvention*.

² European Commission. (2025). *Making sanctions effective*.

³ European Union. (2000). *Charter of Fundamental Rights of the European Union*.

⁴ European Union Agency for Fundamental Rights. (2014). *Article 52 – Scope and interpretation of rights and principles* (Charter commentary).

social punishment. Therefore, a robust proposal set must specify proportionality, precision, and reversibility as design imperatives rather than aspirational values.

Proportionality, in sanctions design, should be treated as a multi-stage test embedded in the instrument lifecycle. It is not enough to assert that measures serve a legitimate aim; the design must also demonstrate suitability, necessity, and balanced effects, especially when social harms are foreseeable. In EU law, proportionality is explicitly linked to the permissibility of rights limitations under Article 52 of the Charter, which makes proportionality a constitutional condition for rights-limiting measures^{1,2}. Sanctions design that disregards this will not only be ethically fragile but also strategically counterproductive, because it invites litigation and undermines credibility. The General Court's sanctions case law illustrates that the Council's reasoning and evidence can be tested and, where inadequate, lead to annulment or delisting, which then weakens both deterrence and signalling³. In other words, proportionality is not merely about moral optics; it is an operational requirement for sustainability. Proportionality also has a distributive dimension: measures that are nominally "targeted" can, in practice, diffuse harm onto protected categories through over-compliance or administrative arbitrariness. Ethically robust design must therefore incorporate proportionality not only at adoption but also at implementation, guidance, and enforcement stages.

A practical proportionality principle for social measures is "harm-minimisation without pressure dilution". This principle recognises that pressure can be maintained while reducing indiscriminate friction through better targeting and verifiable exemptions. The EU's governance style—reliance on guidance, consolidated FAQs, and operational clarifications—already points towards a model where implementation tools shape real-world scope⁴. An ethically robust proposal would treat those tools as part of the proportionality architecture, requiring that guidance explicitly address protected categories, documentary standards, and non-discrimination expectations. This is particularly important where social measures are implemented by decentralised actors such as consular services, universities, hospitals, platforms, and financial institutions. Proportionality must be embedded in their decision rules, not left to ad hoc discretion. Moreover, proportionality must be measurable, which means the proposal should define indicators that track unintended harm and discriminatory spillovers in implementation. Without measurement, proportionality becomes rhetorical. The objective is not "softness". It is disciplined pressure consistent with EU constitutional constraints and strategic aims.

Precision is the second pillar of ethical robustness, and it has at least three distinct meanings in sanctions design. First, precision is legal: clear scope, defined terms, and an unambiguous legal basis that permits operators to comply and courts to review. Secondly, precision is evidentiary: listing criteria and restrictions must be supported by a plausible, documented link between the target and the prohibited conduct or strategic aim. Thirdly, precision is operational: a measure must be implementable consistently across Member States and across regulated entities without producing uncontrolled over-reach. EU practice already recognises the need for legal basis and uniform application through the CFSP–TFEU linkage, where sanctions regimes are adopted under Article 29 of the Treaty on European Union and implemented through Article 215 of the Treaty on the Functioning of the European Union^{5,6}. An ethically robust proposal should explicitly cite that legal pathway to reinforce predictability and accountability. Precision also reduces the need for blunt bans: as targeting improves, the same pressure can be achieved with less collateral harm. This is why precision and proportionality are complements, not trade-offs.

¹ European Union. (2000). *Charter of Fundamental Rights of the European Union*.

² European Union Agency for Fundamental Rights. (2014). *Article 52 – Scope and interpretation of rights and principles* (Charter commentary).

³ EUCRIM. (2025, October 27). *CJEU rulings on restrictive EU measures against Russia (May–October 2025)*.

⁴ European Commission. (2024, January 26). *Commission consolidated FAQs on the implementation of Council Regulation No 833/2014 and Council Regulation No 269/2014*.

⁵ EUR-Lex. (2026, February 1). *EU restrictive measures in view of Russia's invasion of Ukraine* (Summary).

⁶ EUR-Lex. (n.d.). *Restrictive measures (sanctions)* (Glossary summary).

Precision should also be applied to the definition of “social measures” themselves, to avoid category confusion and mission creep. Social measures can include travel restrictions, restrictions on access to certain services, limitations on engagement channels, and measures that affect reputational participation. However, not every social inconvenience is a legitimate sanctions target, and not every engagement is a circumvention channel. The proposal should therefore distinguish between measures that restrict high-risk facilitation and measures that restrict symbolic normalisation, and it should justify each category separately. The Council’s public explanation of sanctions against Russia underscores that travel bans and asset freezes are targeted at listed individuals and entities, and that the prohibition on making funds available operates through clear legal mechanisms¹. That clarity should be replicated in the social domain: if a service restriction is proposed, it must specify the conduct being prohibited, the risk being mitigated, and the compliance steps expected. Otherwise, implementation will default to risk-avoidance, which produces over-compliance and discrimination. Precision is therefore both an ethical guardrail and a compliance enabler. It reduces arbitrary exclusion while preserving strategic pressure.

Reversibility is the third pillar, and it is frequently misunderstood as “easing” or “weakness”. In ethical sanctions design, reversibility means that measures are not permanently detached from their objectives and that they incorporate structured pathways for review, adjustment, and termination. This includes sunset clauses, periodic review requirements, and clear delisting or exemption review procedures. Reversibility is essential because sanctions regimes operate under uncertainty: strategic contexts change, targets’ behaviours change, and the empirical basis for listings can weaken over time. The EU’s sanctions governance includes adoption, renewal, and lifting dynamics under CFSP decision-making, reflecting a built-in expectation that measures can be modified or lifted². Reversibility also strengthens legitimacy: it signals that the EU is applying conditional pressure rather than indefinite social exclusion. This matters in the social domain where reputational and inter-personal consequences are especially salient. A reversible design also reduces the incentive for targets to “wait out” enforcement if they can credibly influence delisting by changing behaviour or by demonstrating lack of linkage. Therefore, reversibility is best framed as disciplined conditionality.

A robust reversibility mechanism must be accompanied by measurable objectives, because reversibility without criteria becomes politicised and arbitrary. If a measure is adopted to reduce facilitation risk, the objective might be expressed as a measurable reduction in specific circumvention indicators or in the availability of enabling services. If a measure is adopted to constrain elite normalisation, objectives might be expressed in terms of restricted access to specific infrastructures rather than broad social exclusion. The key is that objectives must be stated in a way that allows evaluation and review. The European Parliament’s methodological work on sanctions evaluation emphasises that effectiveness assessment frameworks should account for coherence, implementation, and measurable outcomes, which supports embedding objectives into design rather than leaving them implicit³. Measurable objectives also help courts assess proportionality: if objectives are vague, necessity is hard to demonstrate. In addition, measurable objectives improve compliance: operators can align controls with defined risks rather than guessing policy intent. Reversibility and measurability therefore reinforce precision and proportionality as a coherent design package.

Ethical robustness also requires narrow targeting as a default rule, with explicit justification for any measure that risks group-based exclusion. Narrow targeting means that restrictions should be aimed at those who are plausibly connected to the harmful conduct: decision-makers, financiers, propagandists, facilitators, and key enablers. The EU’s experience with sanctions litigation demonstrates the vulnerability of broad associative criteria, especially where evidence is thin. Case summaries show annulments where the Council did not sufficiently establish that an individual benefited from, or was

¹ Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*.

² EUR-Lex. (n.d.). *Restrictive measures (sanctions)* (Glossary summary).

³ European Parliament. (2025). *Effectiveness of the EU global human rights sanctions regime*.

meaningfully linked to, the relevant “leading businessperson” criterion or similar linkage claims¹. This is a clear lesson for future social measures: if the link between the person and the objective is indirect, design must require stronger evidence and clearer reasoning. Narrow targeting also improves deterrence by concentrating pressure on actors whose behaviour matters strategically. Moreover, it preserves humanitarian and civil-society space, which is essential for EU credibility. Where some population-level restrictions remain politically unavoidable, ethical robustness requires robust carve-outs and operational safeguards rather than rhetorical exceptions.

A clear legal basis is not only a formal condition but a substantive ethical requirement, because it anchors accountability and predictability. EU sanctions are grounded in a structured legal pathway: Council decisions under Article 29 of the Treaty on European Union, followed by implementing regulations under Article 215 of the Treaty on the Functioning of the European Union to ensure uniform application^{2,3}. Proposals for social measures must specify where they fit in that architecture, whether they require legislative amendment, implementing acts, or primarily guidance updates. The legal basis also determines who has competence and who bears obligations: Member States, operators, citizens, or mixed actors. This matters because social measures often involve decentralised implementation, and legal ambiguity becomes a driver of over-compliance. The Commission’s consolidated FAQs explicitly describe themselves as a working document to guide authorities, operators, and citizens, illustrating that interpretative infrastructure is part of the legal-operational chain⁴. Ethical robustness therefore requires that interpretative guidance is aligned with the legal basis and does not create *de facto* prohibitions beyond lawful scope. Clarity on legal basis is also the best antidote to discriminatory divergence among Member States.

Measurable objectives should be complemented by explicit “harm markers” to prevent the evaluative system from conflating suffering with success. Social sanctions are uniquely susceptible to moral confusion: measures that impose broad inconvenience can be mistaken for strategic effectiveness. A robust proposal would therefore define success indicators (deterrence, reduced facilitation, constrained elite access) and harm indicators (discriminatory denial of education, healthcare barriers, arbitrary family separation delays). The aim is to ensure that harms trigger adjustment rather than being interpreted as evidence of success. EU practice already recognises the need for humanitarian derogations and structured procedures for granting them, which suggests institutional acknowledgement that harm management is part of sanctions governance⁵. By building harm markers into objectives, the EU can demonstrate ethical seriousness and strengthen domestic legitimacy. This is not only morally relevant; it improves strategic effectiveness by reducing backlash and litigation risk. It also aligns with the Charter framework, where rights limitations must be necessary and proportionate, implying that avoidable harms are legally problematic⁶. Therefore, measurable objectives must be dual-track: pressure outcomes and harm constraints.

Sunset clauses and review clauses should be treated as essential features of ethical robustness rather than optional add-ons. Sunset clauses can be time-based (automatic expiry unless renewed) or condition-based (expiry upon the occurrence of defined events). Review clauses can require periodic evidence review for listings and for categories of restrictions, ensuring that measures remain linked to objectives. The EU’s sanctions regimes already contain renewal dynamics and periodic listing reviews, but ethical robustness would strengthen these routines for social measures with heightened rights sensitivity⁷. Reviews should be evidence-centred and structured, not purely political. They should include consultation with national competent authorities and, where appropriate, structured input from

¹ EUCRIM. (2025, October 27). *CJEU rulings on restrictive EU measures against Russia (May–October 2025)*.

² EUR-Lex. (2026, February 1). *EU restrictive measures in view of Russia’s invasion of Ukraine* (Summary).

³ EUR-Lex. (n.d.). *Restrictive measures (sanctions)* (Glossary summary).

⁴ European Commission, 2024

⁵ European Commission. (2022, April 13). *Factsheet on member state procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

⁶ European Union. (2000). *Charter of Fundamental Rights of the European Union*.

⁷ EUR-Lex. (n.d.). *Restrictive measures (sanctions)* (Glossary summary).

humanitarian actors, universities, and civil society. Such consultation can be operationalised without undermining security objectives by focusing on implementation harms rather than strategic policy choices. The Commission’s factsheet on humanitarian derogations highlights the diversity of national procedures and the need for clarity, which supports harmonised review and standardisation efforts¹. Review mechanisms also reduce over-compliance: if operators know that policies are periodically clarified and corrected, they are less likely to adopt permanently restrictive stances. Sunset and review clauses thus serve both ethics and implementation quality.

Explicit humanitarian carve-outs are a non-negotiable component of ethically robust social measures, but carve-outs must be operational rather than declarative. Declarative exemptions create a false sense of ethical coverage while leaving discretion and risk aversion to do the real work, which often results in denial. The European Commission’s guidance on humanitarian aid compliance and its factsheet on humanitarian derogations demonstrate that the EU already treats humanitarian exceptions as a structured domain with procedures and conditions^{2,3}. The lesson is that carve-outs should be designed with workflows: documentation standards, responsible authorities, decision timelines, and appeal paths. Carve-outs should also be verifiable to prevent them from becoming circumvention channels. This is where precision and enforcement intersect ethically: the more verifiable the carve-out, the easier it is to protect legitimate cases without opening leakage. In the social domain, carve-outs should include education, research, health, family reunification, and protected civil-society exchange, each with tailored verification. Ethical robustness requires that these are stated as rights-respecting corridors, not discretionary favours.

Because enforcement is intensifying, including through criminal law harmonisation, ethical robustness must incorporate “safe compliance pathways” for operators and intermediaries. Directive (EU) 2024/1226 requires Member States to establish effective, proportionate, and dissuasive penalties for sanctions violations and related circumvention conduct, which changes the compliance climate⁴. Under criminalisation pressure, private actors will tend to over-comply unless guidance gives them defensible decision rules. Ethical design must therefore anticipate behavioural economics: risk-averse actors choose denial over nuanced assessment. A robust proposal should include explicit guidance duties for regulators, specifying that non-discriminatory implementation and respect for carve-outs are part of compliant conduct. This is not a demand for leniency; it is a demand for rule-of-law certainty. The Commission’s consolidated FAQs function precisely as such a guidance layer, and proposals should expand that function into the social-measures space with clearer exemptions and definitions⁵. Where the guidance layer is absent, ethics will be sacrificed to risk management. Therefore, safe compliance pathways are integral to ethical robustness.

A further design principle is “target the enablers, not the vulnerable interfaces”. In practice, some of the most ethically problematic social measures are those that target interfaces used by ordinary people—basic payments, essential services, educational opportunities—while leaving sophisticated enablers untouched. Ethically robust design should invert that: focus restrictions and enforcement on facilitation networks, proxy service providers, and high-risk intermediaries, while protecting humanitarian and civil-society corridors. This aligns with the EU’s stated emphasis on making sanctions effective through implementation and enforcement rather than indiscriminate expansion⁶. It also aligns with the logic that deterrence by risk works best when facilitators face credible consequences. In addition, enabler

¹ European Commission. (2022, April 13). *Factsheet on member state procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

² European Commission. (2022, April 13). *Factsheet on member state procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

³ European Commission. (2023, February 7). *FAQs: Sanctions adopted following Russia’s military aggression against Ukraine – Humanitarian aid*.

⁴ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁵ European Commission. (2024, January 26). *Commission consolidated FAQs on the implementation of Council Regulation No 833/2014 and Council Regulation No 269/2014*.

⁶ European Commission. (2025). *Making sanctions effective*.

targeting is more defensible legally because it can be linked to specific behaviours and risks. It is also strategically efficient: it raises the cost of circumvention and normalisation for those who can pay for it. Finally, it reduces reputational harm to the EU, because it demonstrates differentiation rather than collective exclusion. Therefore, enabler targeting should be embedded as a design presumption.

Ethically robust design should explicitly incorporate non-discrimination as a principle of implementation, not merely a background value. Social sanctions can produce discrimination indirectly through nationality-based heuristics, accentuated by private compliance decisions and by administrative discretion. If the EU fails to address this, it will face both legal and legitimacy risks, especially in Member States where equal-treatment principles are closely monitored. The Charter framework, combined with proportionality requirements, implies that discriminatory spillovers undermine the lawful basis of restrictions by creating unnecessary and avoidable harms^{1,2}. The design response is to require that measures and guidance differentiate between sanctioned status, facilitation risk, and mere nationality. This differentiation should be expressed in operational terms: what checks are appropriate, what evidence is required, and what should not be treated as a risk marker. The Commission's emphasis on due diligence and risk indicators in circumvention guidance shows that the EU can define risk-based approaches, and ethical proposals should ensure those approaches do not collapse into nationality-based exclusion³. Moreover, complaint and correction mechanisms should be designed at the outset, because discrimination is often discovered through case patterns rather than theory. Non-discrimination is therefore part of robustness.

Precision also requires that social measures avoid “scope creep” via ambiguous concepts such as “association”, “benefit”, or “normalisation” unless those concepts are tied to observable indicators. Litigation summaries show that the sufficiency of evidence and reasoning is scrutinised and can lead to annulments where linkages are not adequately established⁴. In design terms, this means that if “association” is used, it must be defined with concrete criteria: roles, ownership/control indicators, facilitation actions, or participation in specified institutions. If “benefit” is used, it should be linked to demonstrable economic or service advantages derived from sanctioned networks. If “normalisation” is used, it should be defined as access to specified infrastructures that confer status or strategic advantage, not mere social interaction. Otherwise, measures become ethically and legally indefensible because they penalise intangible social meaning. The Council's explanation of travel bans and asset freezes is a model of concrete scope and mechanism, and social measures should emulate that clarity⁵. Precision reduces arbitrary application and improves compliance consistency across Member States. It is, therefore, the central operational requirement for ethical robustness.

Reversibility must also be linked to procedural fairness and transparency, especially for individual listings and restrictions that operate via travel bans and service denials. Procedural fairness includes notification where feasible, access to reasons, and meaningful opportunities for review, subject to security constraints. The EU courts' scrutiny of evidence and reasoning indicates that procedural and substantive defensibility are intertwined: if the Council cannot demonstrate a reasonable basis, the measure is at risk⁶. Ethical robustness therefore requires that the design includes internal review discipline: periodic reassessment of evidence and criteria. It also requires that delisting pathways are credible and not purely symbolic, because a purely symbolic review system undermines rule-of-law legitimacy. Where secrecy constraints exist, procedures can still be structured through closed material and summary reasoning, though implementation varies. The key is that reversibility is not just political; it is procedural. This also mitigates the risk that measures become permanent stigmas detached from

¹ European Union. (2000). *Charter of Fundamental Rights of the European Union*.

² European Union Agency for Fundamental Rights. (2014). *Article 52 – Scope and interpretation of rights and principles* (Charter commentary).

³ European Commission. (2023, February 7). *FAQs: Sanctions adopted following Russia's military aggression against Ukraine – Humanitarian aid*.

⁴ EUCRIM. (2025, October 27). *CJEU rulings on restrictive EU measures against Russia (May–October 2025)*.

⁵ Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*.

⁶ EUCRIM. (2025, October 27). *CJEU rulings on restrictive EU measures against Russia (May–October 2025)*.

strategic aims. Therefore, reversibility should be formalised through review schedules and delisting criteria.

A further design principle is “minimum necessary friction”: impose the least friction required to achieve the objective, and do not impose additional friction simply because it is administratively convenient. Administrative convenience is a major driver of ethical failure in social sanctions: broad barriers are easy to implement, while differentiated, verified corridors require work. Yet the EU has already demonstrated that it can build procedural systems for humanitarian derogations and provide documentation guidance, suggesting that administrative complexity is manageable when prioritised¹. Ethically robust proposals should therefore treat administrative effort as part of the cost of legitimacy, not as a reason to accept indiscriminate barriers. This is particularly important for education and health channels, where delays and denials can create irreparable harms. Minimum necessary friction also improves strategic effectiveness by focusing pressure on high-impact nodes rather than creating diffuse resentment. Moreover, it supports EU domestic cohesion by reducing intra-Union divergence and controversy over perceived unfairness. The Commission’s approach to sanctions effectiveness emphasises coordination and implementation quality, which supports investing in differentiated workflows rather than defaulting to blanket barriers². Therefore, administrative design is an ethical issue, not merely an operational one.

In practice, ethical robustness can be formalised through a “design checklist” that becomes a gating requirement for any new social measure or substantial guidance change. That checklist should include: (1) legal basis and competence pathway; (2) objective statement with measurable outcomes; (3) proportionality justification including harm markers; (4) precision in scope, definitions, and evidentiary logic; (5) humanitarian and protected carve-outs with workflows; (6) reversibility with sunset/review clauses; and (7) implementation plan including guidance and complaint handling. The Commission’s consolidated FAQs demonstrate how a centralised guidance layer can support consistency and compliance, and proposals should rely on a similar approach for any social measures to prevent fragmentation³. The checklist should also require that enforcement consequences are aligned with the measure’s risk profile, so that low-level inadvertent breaches do not become the primary enforcement target. Directive (EU) 2024/1226’s emphasis on criminal law should be integrated carefully to avoid chilling legitimate humanitarian activity while preserving deterrence against facilitation⁴. A checklist approach also supports periodic review, because it creates a baseline record of intent, scope, and justification. This reduces the risk of later drift and “silent expansion” through over-compliance. Therefore, ethical robustness should be proceduralised.

A final principle is the explicit separation between moral condemnation and policy mechanism. The EU is entitled to moral condemnation of aggression, but sanctions instruments must operate through legal mechanisms that are testable, reviewable, and constrained. If moral condemnation becomes the mechanism—through diffuse social exclusion—ethical robustness collapses. The Charter framework exists precisely to ensure that objectives of general interest do not justify unlimited restriction of rights^{5,6}. Ethically robust social measures therefore treat law as the instrument of moral commitment, not as an obstacle to be bypassed. This approach strengthens the EU’s strategic position by maintaining legitimacy, reducing litigation vulnerability, and concentrating pressure where it matters. It also supports long-run cohesion among Member States by reducing perception of arbitrariness and discrimination. The EU’s institutional framing of sanctions effectiveness—focusing on implementation

¹ European Commission. (2022, April 13). *Factsheet on member state procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

² European Commission. (2025). *Making sanctions effective*.

³ European Commission. (2024, January 26). *Commission consolidated FAQs on the implementation of Council Regulation No 833/2014 and Council Regulation No 269/2014*.

⁴ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁵ European Union. (2000). *Charter of Fundamental Rights of the European Union*.

⁶ European Union Agency for Fundamental Rights. (2014). *Article 52 – Scope and interpretation of rights and principles* (Charter commentary).

and enforceability—supports this orientation by privileging governance quality over symbolic breadth¹. Accordingly, the proposals in Section 4.5 should be designed as a coherent system: proportionality to prevent excess, precision to enable compliance and defensibility, and reversibility to preserve conditionality and legitimacy. Only such a system can sustain pressure through 2026–2030 without undermining the EU’s normative foundations.

4.5.2. Exemptions and Protected Channels

Ethically robust social measures require exemptions that are not merely “allowed in principle” but institutionalised as protected channels with predictable workflows, evidentiary standards, and non-arbitrary decision timelines. In the social domain, an exemption is not a loophole; it is the legal and ethical mechanism that prevents a targeted pressure regime from drifting into diffuse exclusion. The EU’s constitutional baseline reinforces this logic: any limitation of rights must be provided for by law, respect the essence of rights, and satisfy proportionality, including necessity and genuine pursuit of objectives of general interest². Exemptions operationalise proportionality by ensuring that legitimate aims are pursued with minimum necessary friction for protected categories. They also protect the Union’s strategic credibility by demonstrating that pressure is conditional, differentiated, and designed to reduce collateral harm. In practice, exemptions are the decisive interface between EU-level legal instruments and decentralised implementation by consulates, universities, hospitals, research institutions, banks, and platforms. Without formalised channels, these actors default to risk aversion and over-compliance, which produces discriminatory spillovers and erodes legitimacy. Therefore, the core design objective for 2026–2030 should be to convert exemptions into durable, auditable, and consistently applied corridors.

The first pillar is to treat exemptions as a governance subsystem rather than a set of ad hoc derogations. EU sanctions governance already provides relevant templates: the Commission’s factsheet on Member State procedures for humanitarian derogations maps the diversity of national competent authority practices and implicitly identifies where standardisation is necessary³. The Commission’s humanitarian-aid FAQ for Russia-related sanctions clarifies that sanctions are targeted and designed to reduce adverse impacts, while explaining how humanitarian activities can be accommodated within the legal framework⁴. These documents demonstrate that the EU can codify exemption logic in a way that is legally precise and operationally usable. The ethical lesson is that protected channels must be “designed for implementation”: they should specify who decides, what evidence is needed, how quickly decisions are made, and how decisions are recorded. The strategic lesson is that exemptions without controls become circumvention vectors, which then triggers political pressure for blanket restriction and undermines the very purpose of exemptions. An ethically robust exemption design therefore balances two imperatives: reduce unintended harm and preserve enforcement integrity.

Education is a protected channel that requires particularly careful design because it affects long-term human capital, inter-societal ties, and EU soft-power credibility. Ethically, denial of education can constitute an irreparable harm for individuals who are not implicated in aggression and who may be among the constituencies most likely to support pluralism and reform. Strategically, education corridors can be defended as investments in future societal openness, while still applying strict screening to prevent facilitation of sanctioned networks. The design principle is to treat education as a category-based corridor with risk-tiering, not a blanket entitlement and not an arbitrary privilege. This can include verified student status, verified funding sources, and restrictions on sanctioned affiliations or

¹ European Commission. (2025). *Making sanctions effective*.

² European Union Agency for Fundamental Rights. (2014). *Article 52 – Scope and interpretation of rights and principles* (Charter commentary).

³ European Commission. (2022, April 13). *Factsheet on Member State procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

⁴ European Commission. (2023, February 7). *Frequently asked questions on humanitarian aid concerning sanctions adopted following Russia’s military aggression against Ukraine* (Council Regulation (EU) No 833/2014).

institutions linked to military–industrial support. Implementation guidance should instruct universities and financial intermediaries how to distinguish between lawful admissions and prohibited facilitation, reducing the incentive to adopt nationality-based denials. The proportionality logic is straightforward: the same security objective can be achieved with narrower targeting and better verification rather than broad exclusions¹. In addition, education exemptions should include safeguards for academic freedom and non-discrimination in access decisions, with complaint pathways for wrongful denial.

Research exemptions are closely linked but require additional integrity controls because research can be dual-use, institutionally networked, and financially complex. A protected research channel should therefore be designed around project-level verification rather than person-level discretion alone. The ethical aim is to preserve legitimate scientific collaboration and civil-society knowledge exchange while preventing technology transfer and sanctioned funding flows. This can be achieved through: transparent declarations of funding sources, institutional affiliation checks, export-control alignment for sensitive fields, and contractual commitments on compliance. The governance architecture already supports such risk-based approaches: Commission guidance materials on sanctions circumvention risk assessment emphasise due diligence and red-flag identification as core operator responsibilities². Research exemptions can incorporate those red-flag concepts without turning all cross-border research into a suspect activity. The key is to separate high-risk research domains from ordinary academic collaboration and to ensure that decisions are evidence-based rather than impressionistic. Where research is in sensitive fields, authorisation can be conditional, time-bound, and subject to reporting. This preserves the corridor while maintaining enforcement credibility.

Health and medical channels are among the most ethically non-negotiable protected corridors because delays and denials can generate immediate physical harm. EU implementation materials already recognise the importance of humanitarian and medical considerations and the availability of derogations in appropriate circumstances³. In a robust system, the medical corridor should be operationalised through fast-track authorisations with minimal documentary burden beyond what is necessary to verify legitimacy. For example, verification may rely on medical referral letters, treatment plans, and confirmations from EU healthcare providers, while avoiding excessive financial scrutiny that delays urgent care. Where payment intermediaries are involved, a safe compliance pathway should be provided to banks and insurers to process legitimate medical payments without fear of sanctions liability, provided conditions are met. The Commission’s humanitarian derogations factsheet is relevant here because it describes how national competent authorities assess authorisation requests and what operators should consider⁴. The ethical requirement is to minimise friction while maintaining verification, because the consequence of error is severe and irreparable. This also aligns with proportionality: the least restrictive means should be used to achieve the objective while respecting the essence of rights⁵. A robust medical corridor should also include clear guidance against discriminatory refusal of service based on nationality alone.

Family reunification is a protected channel with high legitimacy salience because it touches the core of private life and human dignity. In the social-sanctions domain, family corridors are also frequently where political narratives of “collective punishment” concentrate, making them strategically important for EU domestic cohesion. A robust exemption design should therefore create a standardised, evidence-based family reunification workflow: definition of eligible relationships, documentary requirements, decision timelines, and appeal routes. The goal is not to remove screening, but to make screening predictable

¹ European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 52 — Scope and interpretation of rights and principles*.

² European Commission. (2023b, September 7). *Guidance to EU operators: Risk assessment of possible circumvention of EU restrictive measures (sanctions) against Russia*.

³ European Commission. (2023a, February 7). *Frequently asked questions on humanitarian aid concerning sanctions adopted following Russia’s military aggression against Ukraine* (Council Regulation (EU) No 833/2014).

⁴ European Commission. (2022, April 13). *Factsheet on Member State procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

⁵ European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 52 — Scope and interpretation of rights and principles*.

and non-arbitrary, reducing discretionary divergence across Member States. Proportionality considerations remain central: if the policy objective is to constrain high-risk actors, family separation that is not necessary to that objective becomes ethically and legally vulnerable¹. Furthermore, predictable family corridors reduce incentives for irregular routes and reliance on intermediaries, which can otherwise expand grey-zone markets. This is a case where ethical robustness and enforcement outcomes align: transparent corridors decrease circumvention demand. The system must still include safeguards against abuse (e.g., sham relationships used for facilitation), but those safeguards should be risk-based and evidentially grounded. A harmonised approach also reduces reputational damage to the EU from inconsistent national practice.

Civil-society exchange is a protected channel that includes independent journalism, human-rights monitoring, cultural and scholarly dialogue, and support for dissidents. Ethically robust design should treat this corridor as an explicit instrument of differentiation: the EU applies pressure on enablers and decision-makers while maintaining space for societal engagement that can contribute to future reconciliation and accountability. The challenge is that civil-society exchange is easy to politicise and harder to verify than formal education or medical treatment. The design response is to establish a list of recognised legitimate categories (accredited media, registered NGOs, verified civil-society programmes) and to link authorisations to objective criteria rather than to ideological tests. In parallel, the EU should provide safe compliance guidance to platforms and service providers that facilitate civil-society activity (e.g., payment services for NGOs, access to communication tools) to prevent chilling effects. The Commission’s guidance on circumvention risks provides a framework for identifying suspicious patterns without generalising suspicion to all cross-border civil-society engagement². The ethical risk here is over-compliance: fear of liability drives actors to deny service even when lawful. Therefore, the corridor must be backed by clear interpretative guidance and complaint mechanisms, which will be expanded in 4.5.3.

Protected channels also require a coherent relationship with enforcement against circumvention, because exemptions can become the easiest narrative for critics of sanctions: “exemptions are loopholes”. The solution is not to remove exemptions but to make them verifiable and auditable, thereby turning exemptions into enforcement assets rather than enforcement vulnerabilities. If authorisations are documented, time-bound, and linked to clear conditions, abuse can be detected and prosecuted without collapsing the entire corridor. This is consistent with the EU’s enforcement trajectory, including criminalisation of sanctions violations and circumvention conduct, which increases the deterrent effect against facilitators³. In practical terms, this means exemption decisions should generate audit trails: what evidence was reviewed, what conditions were imposed, and what monitoring steps are required. Auditability is crucial not only for enforcement but also for defending proportionality and non-discrimination. Where audit trails exist, authorities can demonstrate that denials or approvals were based on objective criteria, not prejudice. This converts ethical requirements into operational controls.

A recurring implementation problem is that decentralised actors face asymmetric risk: they face penalties for breaches but rarely face penalties for wrongful denial. This creates systematic over-compliance in protected channels. Ethical robustness therefore requires “counter-incentives” that make wrongful denial visible and correctable, such as complaint pathways, transparency reporting, and supervisory expectations that carve-outs are respected. Even before moving to those governance measures, the design of exemptions can reduce over-compliance by providing safe harbours: if an operator follows specified due diligence steps and retains records, they are protected against liability for good-faith decisions. This approach is analogous to risk-based compliance frameworks and is

¹ European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 52 — Scope and interpretation of rights and principles*.

² European Commission. (2023b, September 7). *Guidance to EU operators: Risk assessment of possible circumvention of EU restrictive measures (sanctions) against Russia*.

³ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

reinforced by EU operator guidance on circumvention risk assessment and red-flag handling^{1,2}. A red-flag approach matters because it prevents nationality from being used as a crude proxy; instead, operators focus on behavioural and transactional indicators. The Helpdesk’s explanation that red flags trigger deeper due diligence rather than automatic illegality is directly useful for designing humane corridors³. The proposal should therefore embed red-flag logic into exemption workflows and guidance. This reduces arbitrary barriers without lowering standards.

Exemption design should also incorporate a “tiered verification model” that matches evidentiary requirements to risk. Not all protected-channel cases carry the same facilitation risk, and treating them as identical increases harm without improving security. For example, urgent medical treatment should require fewer steps than a long-term research project with sensitive technology. Similarly, family reunification should prioritise identity and relationship verification, whereas civil-society exchange may prioritise organisational legitimacy and funding-source transparency. A tiered model aligns with proportionality because it imposes only the friction necessary to mitigate the relevant risk⁴. It also aligns with enforcement, because resources can be concentrated where risk is highest. The Commission’s mapping of humanitarian derogation procedures highlights how authorisation processes can involve different evidentiary burdens and competent authorities, which supports formalising tiering rather than leaving it implicit⁵. Tiering also makes the system more legible to applicants and operators, reducing arbitrary outcomes. In addition, it helps Member States converge on comparable standards by providing a common template. Therefore, tiered verification is a practical design principle for protected channels.

Protected channels should be institutionalised at both EU and Member State levels, with a clear division of roles. EU-level instruments can define categories, minimum standards, and interpretative guidance, while Member States implement through national competent authorities, consular services, and sectoral regulators. The humanitarian derogations factsheet explicitly centres national competent authorities as the assessing bodies for authorisations, which implies that standardisation requires EU-level templates and national-level procedures⁶. In the social domain, consular services and sectoral authorities (education ministries, health regulators) will also be involved, so institutionalisation must extend beyond “sanctions specialists”. A robust proposal would therefore recommend designated focal points for protected channels within each Member State, trained on sanctions law, proportionality obligations, and non-discrimination. It would also recommend standard forms and documentary checklists to reduce discretionary variation. Where appropriate, digital submission portals can reduce processing time and improve auditability. This is not bureaucracy for its sake. It is the infrastructure required to make exemptions real and to prevent de facto denial through delay. Institutionalisation is therefore a necessary condition of ethical robustness.

The operational workflow for exemptions should be framed as a five-stage process: request intake, verification and risk assessment, decision and conditions, recording and notification, and review/appeal. Each stage should have defined timelines and escalation rules, especially for urgent health and family cases. The EU already provides relevant guidance models: Commission guidance notes on humanitarian aid compliance and its humanitarian-aid FAQ demonstrate a structured approach to interpreting permissible activity and necessary steps^{7,8}. Similarly, the EU Sanctions

¹ European Commission. (2023b, September 7). *Guidance to EU operators: Risk assessment of possible circumvention of EU restrictive measures (sanctions) against Russia*.

² EU Sanctions Compliance Helpdesk. (n.d.). *Red flags: Mastering the indicators of sanctions risk*.

³ EU Sanctions Compliance Helpdesk. (n.d.). *Red flags: Mastering the indicators of sanctions risk*.

⁴ European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 52 — Scope and interpretation of rights and principles*.

⁵ European Commission. (2022, April 13). *Factsheet on Member State procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

⁶ European Commission. (2022, April 13). *Factsheet on Member State procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

⁷ European Commission. (2022, April 13). *Factsheet on Member State procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

⁸ European Commission. (2023a, February 7). *Frequently asked questions on humanitarian aid concerning sanctions adopted following Russia’s military aggression against Ukraine* (Council Regulation (EU) No 833/2014).

Compliance Helpdesk offers a practical orientation on due diligence and red flags that can be adapted to exemption decision-making¹. The key is to avoid “silent discretion” where outcomes depend on individual officials or compliance officers. A workflow also enables accountability: delays and denials can be tracked, patterns can be audited, and discriminatory outcomes can be detected. Workflow design thus serves both ethics and effectiveness. It also reduces circumvention risk by making legitimate paths accessible, lowering the demand for intermediated grey-zone solutions. Therefore, workflow institutionalisation is central to protected channels.

To provide an implementable template for the report, Table 4.5.2-1 sets out a typology of protected channels and minimum operational standards. This table is intended as a policy blueprint: it translates normative commitments into procedural commitments. It also creates a baseline for later monitoring in 4.5.4, because each corridor can be linked to measurable indicators (processing times, denial rates, audit findings). Importantly, the table assumes that targeted restrictions and enforcement remain firm; the purpose is to ensure that firmness does not become indiscriminate exclusion. The ethical criterion is whether the corridor preserves the essence of protected interests while remaining compatible with legitimate security aims². The operational criterion is whether an ordinary institution can apply it without resorting to blanket denial. The enforcement criterion is whether abuse is detectable through records and conditions. These criteria must be satisfied simultaneously for “ethical robustness”.

Table 4.5.2-1. Protected channels and institutionalised exemptions: minimum standards and verification logic (2026–2030)

Protected channel	Core ethical rationale	Minimum verification (baseline)	Risk-tiering triggers (enhanced checks)	Decision SLA (target)
Education (students)	Prevent irreparable life-course harm; preserve openness and future societal links	Identity; admission/enrolment proof; lawful funding source	Links to sanctioned entities; high-risk funding; sensitive fields/institutions	15–30 days
Research (projects)	Preserve legitimate science; prevent illicit transfer and facilitation	Project description; funding transparency; institutional affiliation	Dual-use sensitivity; restricted technology interface; proxy patterns	30–60 days
Health/medical care	Prevent immediate harm; uphold human dignity	Referral/treatment plan; provider confirmation; payment pathway	High-value payments; links to listed persons; intermediary complexity	3–10 days
Family reunification	Protect private and family life; reduce collective punishment narratives	Relationship evidence; identity; residence/legal status	Fraud indicators; links to listed persons; facilitation patterns	10–30 days
Civil-society exchange	Protect independent media/NGOs; preserve accountability channels	Organisational legitimacy; purpose statement; funding transparency	High-risk funding routes; repeated red flags; proxy intermediaries	15–45 days

Authorship: analytical framework (this report) was prepared by the author (analytical synthesis and proposed operational standards).

Sources:

- European Commission factsheet on humanitarian derogations procedures: https://finance.ec.europa.eu/system/files/2022-04/eu-restrictive-measures-humanitarian-derogations-factsheet_en.pdf
- European Commission FAQ on humanitarian aid: https://finance.ec.europa.eu/system/files/2023-02/faqs-sanctions-russia-humanitarian-aid_en.pdf
- EU Sanctions Compliance Helpdesk “Red flags” page: https://eu-sanctions-compliance-helpdesk.europa.eu/red-flags-mastering-indicators-sanctions-risk_en

¹ EU Sanctions Compliance Helpdesk, n.d.

² European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 52 — Scope and interpretation of rights and principles*.

- FRA commentary on Article 52 proportionality framework: <https://fra.europa.eu/en/eu-charter/article/52-scope-and-interpretation-rights-and-principles>

A second operational requirement is to ensure that exemptions do not become arbitrary barriers through opaque documentary demands and inconsistent evidence thresholds. The Commission’s factsheet on humanitarian derogations implicitly illustrates how procedural diversity can create burdens for operators and applicants, which in the social domain can translate into de facto denial¹. An ethically robust proposal should therefore recommend standardised evidence bundles: a minimal set of documents that must be accepted across Member States, with additional documents requested only when red flags are present. This is a classic proportionality technique: differentiate the burden of proof based on risk, not based on nationality or discretion. It also reduces administrative overload, because authorities are not reinventing requirements case by case. Standardisation further reduces corruption risks, because fewer discretionary points exist. Moreover, predictable evidence bundles can be communicated publicly, improving transparency and reducing the market for intermediaries who monetise uncertainty. This is a concrete way to turn ethical commitments into operational safeguards. The result should be a more uniform, defensible implementation environment across the Union.

The workflow must also include an explicit “non-arbitrariness doctrine”: decisions should be reasoned, recorded, and subject to review within defined timeframes. Reason-giving is essential because it is the mechanism through which applicants can correct errors and through which authorities can demonstrate lawful proportionality. It is also a precondition for detecting discrimination: without reasons, patterns remain invisible. In rights-adjacent contexts, reason-giving is part of procedural fairness and supports proportionality, consistent with the Charter-based logic articulated in Article 52 commentary². The practical design implication is to require structured decision templates: categories of reasons for approval or denial linked to objective criteria. For denials, minimal reasoning can be provided even where sensitive information cannot be disclosed fully, using risk-category codes and documentary deficiencies. Review processes should be accessible and time-bound, with escalation to a specialised unit where necessary. This prevents “administrative fatigue” from turning into a silent policy of refusal. A robust exemption system therefore requires procedural fairness as a design component.

Exemptions must also be integrated with the EU’s evolving compliance ecosystem, because many protected channels require transactions and services by private actors. Banks, payment providers, platforms, universities, and insurers are often the practical gatekeepers, and they operate under strong incentives to avoid legal risk. The EU Sanctions Compliance Helpdesk’s materials are designed to support operator due diligence and the handling of red flags, indicating institutional recognition that distributed compliance needs guidance and tools³. An ethically robust proposal should extend this model explicitly into protected channels, for example through sector-specific guidance for education finance, medical payments, and NGO transactions. Such guidance should define what constitutes sufficient verification and what constitutes a red flag requiring escalation. It should also clarify that red flags do not automatically imply illegality, but require enhanced due diligence and documentation, preventing automatic denial⁴. This reduces discriminatory outcomes by replacing crude heuristics with structured risk assessment. It also supports enforcement by improving detection of genuine facilitation attempts. Therefore, protected channels and compliance governance must be designed as a single system.

Because over-compliance is a predictable behavioural outcome under criminalisation pressure, the exemption system must provide safe harbours and escalation pathways for private actors. Where a bank

¹ European Commission. (2022, April 13). *Factsheet on Member State procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

² European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 52 — Scope and interpretation of rights and principles*.

³ EU Sanctions Compliance Helpdesk. (n.d.). *Red flags: Mastering the indicators of sanctions risk*.

⁴ EU Sanctions Compliance Helpdesk. (n.d.). *Red flags: Mastering the indicators of sanctions risk*.

refuses a lawful medical payment due to uncertainty, the patient suffers harm while the bank faces no countervailing liability. Ethical robustness requires correcting this incentive asymmetry by making protected corridors explicitly part of compliance expectations and by providing authoritative guidance on acceptable processing steps. Commission documents on humanitarian aid within sanctions frameworks demonstrate that the EU can clarify permissible activity and related conditions in a way that protects humanitarian operations¹. The same approach can be adapted to protected social channels, including education and family transfers, while preserving anti-circumvention safeguards. Safe harbours should be conditional on documentary compliance and record retention, which also aids enforcement. Where uncertainties remain, escalation to national competent authorities should be designed to be rapid and responsive, rather than purely formal. In a mature system, private actors should not be forced to choose between denial and legal risk; they should have a pathway to lawful service provision when protected criteria are met. This is critical for ethical robustness and for EU credibility.

Protected channels should also be reversible and adjustable, not fixed forever, because risk environments evolve and circumvention techniques change. However, reversibility must not mean instability or arbitrariness; it should be implemented through scheduled review and published updates to guidance. The Commission's model of FAQs and guidance updates in the sanctions' domain provides a precedent for iterative calibration². For protected channels, review should focus on two questions: whether the corridor is producing undue harm, and whether it is being abused for facilitation. If undue harm is detected, friction should be reduced; if abuse is detected, verification should be hardened in targeted ways rather than collapsing the corridor. This is another application of proportionality: the response to misuse should be narrower than the corridor itself. Review should also incorporate stakeholder input from universities, hospitals, and NGOs, focusing on implementation issues rather than geopolitical policy. Structured review strengthens legitimacy because it shows that exemptions are not symbolic but functional and monitored. It also strengthens enforcement because it continuously updates red flags and verification standards. Thus, feedback and calibration should be built into corridor governance.

To make the exemption workflow concrete for this report, Table 4.5.2-2 sets out a proposed operational process that can be referenced across all protected channels. The process is designed to minimise arbitrary barriers while maintaining verification integrity and auditability. It also creates clear points for data collection and monitoring, which will matter in 4.5.4. The model assumes decentralised decision-making but standardised templates and escalation routes. It includes distinct treatment for urgent cases and for complex high-risk cases. It also embeds record-keeping as a compliance and enforcement support. By expressing the workflow in a standardised way, the EU can reduce cross-Member State variance and reduce the need for intermediaries who monetise uncertainty. This is a direct ethical gain and an indirect anti-circumvention gain. The workflow therefore functions as both a humanitarian safeguard and an enforcement instrument.

Table 4.5.2-2. Operational workflow for exemptions: from request to decision, recording, and review (protected channels)

Stage	Core action	Standard outputs	Minimum timeline target	Integrity control
1. Intake	Submission via standard form + evidence bundle	Case ID; category; urgency flag	1–3 days	Completeness check; basic identity verification
2. Verification & risk assessment	Validate evidence; run sanctions screening; apply red-flag logic	Risk tier; required enhancements	3–15 days (or 1–3 days for urgent health)	Red flags trigger enhanced due diligence, not automatic denial

¹ European Commission. (2023, February 7). *Frequently asked questions on humanitarian aid concerning sanctions adopted following Russia's military aggression against Ukraine* (Council Regulation (EU) No 833/2014).

² European Commission. (2024, May 17). *New EU rules criminalising the violation of EU sanctions enter into force*.

Stage	Core action	Standard outputs	Minimum timeline target	Integrity control
3. Decision & conditions	Approve/deny; impose conditions (time-bound, scope-bound)	Reasoned decision note; conditions	5–30 days	Conditions include record retention and reporting where relevant
4. Recording & notification	Record decision; notify applicant and relevant operators	Audit trail; notification package	1–3 days	Standardised reason codes to detect discrimination patterns
5. Review/appeal	Rapid review channel for denials or delays	Review decision; corrected outcome	10–30 days	Independent review within competent authority; escalation path

Authorship: analytical framework (this report) was prepared by the author (proposed workflow model based on EU derogations practice and compliance guidance).

Sources:

- European Commission humanitarian derogations factsheet: https://finance.ec.europa.eu/system/files/2022-04/eu-restrictive-measures-humanitarian-derogations-factsheet_en.pdf
- European Commission humanitarian-aid FAQ: https://finance.ec.europa.eu/system/files/2023-02/faqs-sanctions-russia-humanitarian-aid_en.pdf
- EU Sanctions Compliance Helpdesk “Red flags” guidance: https://eu-sanctions-compliance-helpdesk.europa.eu/red-flags-mastering-indicators-sanctions-risk_en

A robust exemption system must also protect against a specific failure mode: corridor capture by intermediaries. When legal corridors are slow or unpredictable, applicants seek brokers who promise to “solve” access through informal payments, document manipulation, or exploitative fees. This is an ethical harm and an enforcement risk, because it expands grey-zone facilitation markets. Predictable workflows, standard evidence bundles, and transparent timelines reduce this market by reducing uncertainty. The Commission’s mapping of humanitarian derogation procedures shows that procedural complexity is real and that operators must navigate diverse systems¹. In the social domain, the same complexity can quickly become a market for intermediated access, worsening inequality. Therefore, a key ethical objective is to democratise access to lawful corridors by making them legible and administratively feasible. This is also strategically useful, because it prevents the emergence of circumvention ecosystems framed as “humanitarian solutions”. By investing in workflow quality, the EU can reduce both harm and evasion. Corridor capture is thus an evaluative indicator of exemption robustness.

Another failure mode is the misuse of protected channels for facilitation, which can produce political backlash and lead to indiscriminate tightening. Ethically robust design anticipates misuse and neutralises it through targeted controls. For education and research, this may include restrictions on sanctioned institutional affiliations, scrutiny of funding routes, and verification of programme legitimacy. For civil-society exchange, this may include transparency of funding and organisational credibility checks. For family reunification, this may include fraud detection that is risk-based and evidence-driven rather than prejudicial. For medical corridors, it may include enhanced scrutiny only in high-value or complex-payment cases, while preserving rapid access for urgent care. The compliance helpdesk’s framing of red flags is directly relevant because it teaches operators to treat indicators as triggers for deeper due diligence rather than as grounds for automatic prohibition². This is exactly the logic needed to keep corridors open while addressing abuse. In other words, corridor integrity is maintained through structured escalation rather than collapse. Ethical robustness requires that abuse triggers refinement, not indiscriminate closure.

¹ European Commission. (2022, April 13). *Factsheet on Member State procedures to grant humanitarian derogations from EU restrictive measures (sanctions)*.

² EU Sanctions Compliance Helpdesk. (n.d.). *Red flags: Mastering the indicators of sanctions risk*.

Finally, protected channels must be communicated as part of the EU’s sanctions legitimacy strategy. In 2026–2030, domestic EU debates about sanctions will continue to scrutinise whether measures are fair, targeted, and consistent with European values. Protected channels provide the factual basis for defending sanctions against the claim of collective punishment, but only if they function in practice. The Commission’s humanitarian-aid FAQ explicitly frames sanctions as targeted and designed to minimise adverse impacts, which is a legitimacy claim that must be operationally true¹. Article 52 proportionality logic reinforces that legitimacy is not optional; it is a legal requirement in rights-limiting policy². Therefore, ethical robustness in exemptions is both substantive and communicative: corridors must exist, must be usable, and must be verifiably administered. Where corridors work, they reduce reputational damage, lower circumvention demand, and strengthen long-run EU cohesion. Where corridors fail, they become symbols of hypocrisy and fuel backlash. The proposals in 4.5.2–4.5.4 should therefore treat exemption design as a strategic asset, not a humanitarian afterthought. This framing preserves pressure on enablers while protecting legitimate human ties and civil society.

4.5.3. Governance against Over-Compliance and Discrimination

Ethically robust social measures cannot rely on “good intentions” at the point of implementation. In sanctions’ environment, decentralised actors—banks, payment providers, platforms, universities, employers, landlords, insurers, and logistics intermediaries—face asymmetric incentives: they are punished (financially, criminally, reputationally) for under-compliance, but rarely face comparable consequences for wrongful denial of lawful activity. The predictable behavioural outcome is over-compliance: refusals that exceed legal requirements, often driven by fear, ambiguity, and poor information. Over-compliance becomes ethically problematic when it produces discriminatory outcomes, especially where nationality becomes an implicit proxy for risk. A governance regime that ignores these dynamics will inadvertently transform targeted social measures into diffuse social exclusion. The EU’s “making sanctions effective” posture frames implementation as primarily a Member State responsibility supported by Commission coordination and tools, which implies that governance quality is itself a core determinant of outcomes³. Ethical robustness therefore requires an explicit governance layer designed to prevent over-reach, correct errors, and harmonise practice across Member States.

The first governance principle is to treat over-compliance as a systemic risk, not a marginal anomaly. Over-compliance is not simply “extra caution”; it can function as a form of private enforcement that is opaque, unaccountable, and often more expansive than democratically authorised policy. When firms and institutions default to denial, protected channels (education, health, family reunification, civil society) become de facto closed even if legal carve-outs exist. This undermines proportionality because the least restrictive means are not being applied, and it undermines legitimacy because the public sees outcomes rather than legal nuance. The EU’s sanctions ecosystem already recognises that due diligence must be risk-based and that red flags trigger deeper checks rather than automatic illegality, which is directly relevant to preventing indiscriminate denial⁴. A robust governance regime should translate this logic into binding or quasi-binding expectations for regulated entities: “no automatic denial without articulated legal basis or documented red-flag escalation.” In other words, governance should close the gap between lawful scope and operational practice.

A second principle is to anchor anti-discrimination obligations explicitly within sanctions implementation. The EU Charter prohibits discrimination and demands that rights limitations remain proportionate and legally grounded. In practical governance terms, this implies that sanctions

¹ European Commission. (2023a, February 7). *Frequently asked questions on humanitarian aid concerning sanctions adopted following Russia’s military aggression against Ukraine* (Council Regulation (EU) No 833/2014).

² European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 52 — Scope and interpretation of rights and principles*.

³ European Commission. (2025). *Making sanctions effective*.

⁴ EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk (platform overview)*.

implementation must distinguish between *sanctioned status/risk* and *mere nationality*, and must require documented reasons for refusals where access to services or channels is denied. The Charter’s non-discrimination norm, particularly as explained in fundamental-rights commentary, is an important guardrail for rights-adjacent domains affected by social measures^{1,2}. Ethical robustness is not achieved by stating “we do not discriminate”; it is achieved by making discriminatory outcomes detectable, auditable, and correctable. Therefore, the governance architecture must include transparency obligations, complaint mechanisms, and periodic auditing of outcomes, with a focus on patterns rather than individual anecdotes.

The third principle is that governance must be operationally specific: regulated entities require implementable guidance that clarifies what is prohibited, what is permitted, what is conditional, and what constitutes “best efforts” in risk management. Ambiguity pushes decision-makers towards risk avoidance, which is effectively a privatised ban. The Commission’s guidance on circumvention risk assessment explicitly anticipates that operators need due diligence measures and that recommendations will evolve as patterns change, illustrating how the EU uses guidance as an adaptive governance layer³. In addition, consolidated FAQs and red-flag materials provide a model of how to translate legal norms into compliance practice without collapsing nuance⁴. Ethical governance should expand that model specifically for social measures and protected corridors, using sector-specific annexes (education finance, medical payments, NGO transactions, platform access). The point is to create safe compliance pathways that reduce unjustified refusals while preserving robust screening.

A fourth principle is harmonisation: without it, the EU creates internal “arbitrariness zones” where outcomes depend on geography rather than law. In the social domain, this manifests as inconsistent consular decisions, divergent bank policies, or variable platform enforcement across Member States. Such divergence is ethically problematic because it produces unequal treatment and legally problematic because it weakens proportionality by introducing unnecessary and avoidable harm. It is also strategically counterproductive because it creates circumvention incentives: networks will route activity through the least restrictive jurisdiction. The Commission’s effectiveness framing—supporting Member States to ensure implementation—implicitly acknowledges that convergence is required for effectiveness⁵. Ethical robustness therefore requires minimum harmonisation standards: common templates for decision-making, shared risk indicators, and common expectations for record-keeping and reasons. Harmonisation does not imply centralised decision-making; it implies common operational rules.

Guidance to regulated entities should be structured around three layers: baseline obligations, enhanced due diligence triggers, and escalation pathways. Baseline obligations are the “must do” checks: sanctions screening, identity verification, beneficial ownership/“control” analysis where relevant, and record retention. Enhanced triggers are the red flags—suspicious routing, proxy patterns, mismatched documentation—that require deeper due diligence rather than automatic refusal. The EU Sanctions Compliance Helpdesk explicitly states that a red flag is not always indicative of illegality but signals the need for deeper due diligence⁶. Escalation pathways specify how a regulated entity can seek authoritative clarification or authorisation, typically through national competent authorities, rather than unilaterally refusing all borderline cases. This three-layer guidance design directly targets the core driver of over-compliance: the absence of a defensible middle path between acceptance and refusal. Ethical

¹ European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 52 — Scope and interpretation of rights and principles*. Publications Office of the European Union.

² European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 21 — Non-discrimination*. Publications Office of the European Union.

³ European Commission. (2023a, February 7). *Frequently asked questions on humanitarian aid concerning sanctions adopted following Russia’s military aggression against Ukraine* (Council Regulation (EU) No 833/2014).

⁴ EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk (platform overview)*.

⁵ European Commission. (2025). *Making sanctions effective*.

⁶ EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk (platform overview)*.

governance therefore requires that regulators publish not only prohibitions but also “how to comply lawfully with protected corridors”.

Complaint mechanisms are the second pillar of governance. If over-compliance and discrimination are systemic risks, there must be a systematic way to surface and correct them. A complaint mechanism for sanctions-related service denial should function in three modes: problem-solving (fast correction of errors), compliance review (investigating whether the refusal exceeded legal requirements), and learning (updating guidance to prevent recurrence). This tripartite model is widely used in institutional accountability settings because it prevents complaint handling from becoming purely adversarial or purely symbolic¹. The sanctions context adds an additional constraint: sensitive information and security considerations may limit disclosure, but they do not eliminate the need for reasoned outcomes and reviewability. Ethical robustness requires that complaint channels are accessible, time-bound, and capable of producing corrective action. They also need to be safe for vulnerable applicants who fear retaliation or stigma. In practical terms, the report should propose a dual structure: national complaint points (for immediate resolution) with an EU-level aggregation function to identify systemic patterns. This enables both correction and harmonisation.

Transparency obligations are a third pillar. Without transparency, over-compliance remains invisible because denials are private decisions. Transparency does not require disclosing sensitive intelligence; it requires publishing aggregated information on refusal patterns, reasons, and processing times, especially in protected corridors. This is essential for detecting discrimination, because discrimination is often statistical rather than explicit. Transparency also provides feedback to regulated entities: if refusal rates in one Member State or one sector are unusually high, that is a governance signal. The governance layer can then respond with targeted guidance, supervisory engagement, or audit. Transparency should also cover the existence and usability of exemptions and protected channels: users must know what is possible and what evidence is required. The EU’s emphasis on practical tools and resources for compliance suggests an institutional willingness to provide such clarity^{2,3}. Ethical robustness therefore implies a minimum transparency standard: publish corridor rules, publish decision SLAs, and publish aggregated outcomes. This reduces both harm and circumvention demand.

Auditing discriminatory outcomes is the fourth pillar, and it must be designed as a structured process rather than an occasional review after scandals. Audits should test whether outcomes correlate improperly with nationality or origin when risk factors do not justify such correlation. They should also test whether protected corridors are functioning: if medical payments are routinely refused, the corridor is de facto closed. The point is not to accuse institutions. It is to detect system bias generated by risk asymmetries. Over-compliance is known to lead to discriminatory outcomes in regulatory environments where intermediaries bear liability for under-removal or under-restriction but face few incentives to preserve lawful access, a dynamic discussed in broader European governance contexts⁴. While content moderation is a different domain, the structural incentive pattern is analogous: fear of liability drives excessive restriction, which can become discriminatory⁵. Ethical governance should therefore require periodic audits of denial decisions and their rationales, including sampling of case files and statistical review. Audit findings should trigger guidance updates and, where necessary, supervisory action. This creates a feedback loop that converts ethics into measurable governance practice.

Harmonisation across Member States should focus on four concrete elements. First, shared definitions and decision templates for protected corridors, so that “permitted with conditions” is understood

¹ Ashraf, N. (2023). *Enhancing complaints mechanisms of European development finance institutions* (Discussion Note 352). European Centre for Development Policy Management.

² European Commission. (2025). *Making sanctions effective*.

³ EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk (platform overview)*.

⁴ Council of Europe, Steering Committee for Media and Information Society (CDMSI). (2021). *Content moderation: Best practices towards effective legal and procedural frameworks for self-regulatory and co-regulatory mechanisms of content moderation* (Guidance Note, adopted at the CDMSI 19th plenary meeting, 19–21 May 2021). Council of Europe.

⁵ Council of Europe, Steering Committee for Media and Information Society (CDMSI). (2021). *Content moderation: Best practices towards effective legal and procedural frameworks for self-regulatory and co-regulatory mechanisms of content moderation* (Guidance Note, adopted at the CDMSI 19th plenary meeting, 19–21 May 2021). Council of Europe.

similarly across borders. Secondly, common evidentiary bundles and red-flag criteria that prevent arbitrary documentary escalation. Thirdly, shared SLAs and escalation routes to national competent authorities. Fourthly, common reporting metrics for transparency and auditing. These elements reduce arbitrary enforcement and also reduce forum shopping by circumvention networks. Harmonisation is consistent with the EU's implementation framing, where Member States carry primary responsibility but are supported by EU coordination tools¹. The practical governance approach is to codify minimum standards at EU level (through guidance, recommendations, or common templates) while leaving operational execution to Member States. This is a realistic pathway in a politically sensitive domain because it improves outcomes without requiring wholesale centralisation.

A central governance recommendation is the creation of “anti-over-compliance guidance notes” as a dedicated annex to sanctions FAQs and sectoral guidance. These notes should explicitly describe over-compliance risks, clarify that red flags require escalation rather than blanket denial, and set out non-discrimination expectations. They should also include safe-harbour language: if an operator follows defined due diligence steps and retains records, they will be treated as acting in good faith. The Helpdesk's red-flag framing—red flags trigger deeper checks—can be used as the doctrinal baseline for these notes². The Commission's circumvention guidance can supply the due-diligence backbone³. Together, these tools can be adapted from trade-focused contexts into social-channel contexts. This is essential because the costs of wrongful denial in education, health, and family life are ethically severe. By integrating anti-over-compliance notes into official guidance, the EU can shape private-sector behaviour in a direction consistent with proportionality and legal certainty.

Regulatory supervision should also incorporate “over-compliance risk” into routine supervisory agendas. In the financial sector, supervisors increasingly evaluate sanctions controls as part of broader risk management. Ethical robustness suggests adding a proportionality lens: supervisors should ask not only “are you blocking prohibited transactions?” but also “are you processing lawful protected transactions with the required safeguards?” This is a shift from one-sided compliance to balanced compliance. It can be implemented through supervisory questionnaires and thematic reviews. The evidence base for such a shift is practical: without supervisory attention, institutions have no incentive to invest in nuanced corridors, and they will continue to deny. Balanced supervision also improves enforcement because it forces institutions to maintain auditable records for both approvals and denials. This increases the quality of data available for investigations and reduces the grey zone in which facilitators operate. Ethical governance therefore improves effectiveness, not just fairness.

A further recommendation is to formalise a “right to reasons” at least in minimal form for protected corridor denials. Even if full reasoning cannot be disclosed due to security considerations, applicants should receive reason codes and a list of missing documents or triggers. This enables correction and reduces perceptions of arbitrariness. It also makes discrimination detectable: reason codes can be aggregated and analysed. The Charter-based proportionality and non-discrimination framework implies that arbitrary denials in rights-adjacent contexts are not ethically neutral^{4,5}. In addition, reason-giving is an essential component of any credible complaint mechanism. Ethical robustness therefore requires procedural fairness elements: notice, minimal reasons, and review. These procedural elements need not undermine security; they can be implemented through structured templates that protect sensitive information. The operational goal is to prevent “silent refusals” as a de facto policy. This is especially critical in cross-border contexts where applicants have limited ability to navigate opaque systems.

¹ European Commission. (2025). *Making sanctions effective*.

² EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk (platform overview)*.

³ European Commission. (2023, September 7). *Guidance for EU operators: Risk assessment of possible sanctions circumvention*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

⁴ European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 52 — Scope and interpretation of rights and principles*. Publications Office of the European Union.

⁵ European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 21 — Non-discrimination*. Publications Office of the European Union.

The governance system should also include explicit protection against discriminatory proxy indicators. In practice, discrimination often arises when institutions treat nationality, language, place of birth, or residence as a blanket risk marker. Ethical guidance should therefore instruct that risk assessments must be based on objective sanctions-relevant indicators (listed status, ownership/control linkages, transaction patterns, red flags) rather than mere nationality. This aligns with the Helpdesk’s emphasis on red flags as behavioural indicators rather than automatic illegality¹. It also aligns with constitutional logic: limitations must be necessary and proportionate, and discrimination is not a legitimate substitute for evidence-based risk assessment². The governance layer should provide examples of unacceptable proxies and acceptable indicators. It should also require training for frontline decision-makers (bank staff, admissions offices, hospital finance offices) because discriminatory outcomes often occur at the operational edge, not in policy documents. Training should include case studies and decision-tree tools. This makes ethical robustness practical.

In designing these governance tools, it is crucial to anticipate the interaction with strengthened enforcement and criminalisation. Where criminal risk is elevated, institutions will be tempted to deny more. Ethical governance must therefore make protected corridors safer to operate by providing authoritative guidance and escalation routes. The EU’s broader enforcement trajectory and operator guidance show that the EU recognises the need to equip operators, not merely to penalise them^{3,4}. In addition, the criminalisation environment increases the importance of record retention and audit trails, because operators need to demonstrate good faith and regulators need to distinguish deliberate facilitation from lawful protected activity. Governance should therefore set a common standard for record retention in protected corridors. It should also specify how long records are kept and what data minimisation principles apply to protect privacy. This creates a defensible compliance posture. Ethical robustness requires that enforcement does not inadvertently crush lawful corridors.

To operationalise the recommendations, Table 4.5.3-1 links common failure modes (over-compliance, discriminatory denials, arbitrary divergence) to governance controls and measurable outputs. This allows the report to move beyond principles into implementable proposals. The table also creates the basis for monitoring in 4.5.4, because each control can be paired with indicators. In this sense, governance controls are not merely “nice to have”; they are measurable policy instruments. They also help align Member State authorities and regulated entities around a common language. This is essential for harmonisation. Finally, the table is designed to be adaptable: as circumvention patterns change, red flags and controls can be updated without redesigning the entire governance system. That adaptability is part of ethical robustness.

Table 4.5.3-1. Governance controls against over-compliance and discrimination: failure modes, instruments, and measurable outputs

Failure mode	Why it occurs	Governance control (proposal)	Measurable outputs (evidence)
Blanket refusals beyond legal scope (over-compliance)	Liability asymmetry, ambiguity, poor escalation paths	Anti-over-compliance guidance annex + safe harbour + escalation to competent authority	Reduction in “no-reason” denials; increased escalations resolved; corridor processing time improves
Discriminatory outcomes (nationality as proxy)	Heuristics, lack of training, opaque decisions	Non-discrimination decision templates + prohibited proxies list + training + periodic bias audit	Audit findings; statistical disparity measures; remediation actions and guidance updates

¹ EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk (platform overview)*.

² European Union Agency for Fundamental Rights. (2014). *Charter of Fundamental Rights of the European Union: Article 52 — Scope and interpretation of rights and principles*. Publications Office of the European Union.

³ European Commission. (2023, September 7). *Guidance for EU operators: Risk assessment of possible sanctions circumvention*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

⁴ European Commission. (2025). *Making sanctions effective*.

Failure mode	Why it occurs	Governance control (proposal)	Measurable outputs (evidence)
Arbitrary divergence across Member States	Decentralised implementation without common templates	Minimum harmonisation package: shared evidence bundles, SLAs, reason codes, reporting metrics	Cross-Member State convergence in SLA and denial rates; fewer contradictory practices
Corridor capture by intermediaries	Uncertainty, delays, opaque documentary demands	Published evidence bundles + transparent SLAs + complaint mechanism	Lower reported intermediary use; fewer bribery/abuse signals; improved applicant accessibility
Chilling effect on lawful activity	Fear of enforcement; no safe pathways	Sectoral guidance for protected corridors + supervised “balanced compliance”	Increased lawful corridor throughput without increase in abuse findings
Opaque denials with no correction path	Lack of procedural fairness	Complaint mechanism (problem-solving + compliance review + learning) + reason codes	Complaint resolution time; correction rate; recurrent issues identified and addressed

Authorship: analytical framework (this report) was prepared by the author (proposed governance model).

Sources:

- EU Sanctions Helpdesk overview and red flags approach: <https://eu-sanctions-compliance-helpdesk.europa.eu/>;
- Commission operator guidance on circumvention risk assessment: https://finance.ec.europa.eu/system/files/2023-12/guidance-eu-operators-russia-sanctions-circumvention_en.pdf;
- Commission implementation focus (“making sanctions effective”): https://commission.europa.eu/topics/eu-solidarity-ukraine/eu-sanctions-against-russia-following-invasion-ukraine/making-sanctions-effective_en;
- Charter proportionality and non-discrimination commentary: <https://fra.europa.eu/en/eu-charter/article/52-scope-and-interpretation-rights-and-principles>;
- Structural discussion of over-compliance causing discriminatory outcomes in intermediary-liability environments: <https://rm.coe.int/content-moderation-en/1680a2cc18>;
- Ashraf, N. (2023). *Enhancing complaints mechanisms of European development finance institutions* (Discussion Note 352). European Centre for Development Policy Management.

A complementary governance tool is periodic “transparency reporting” by major regulated entities, particularly in the financial and platform sectors. Reports should disclose aggregate refusal volumes by corridor category (education, health, family, civil society), the top reason codes, and average processing times. This is not about naming individuals; it is about surfacing systemic patterns. Transparency reporting can be made proportionate by limiting obligations to large actors with substantial gatekeeping power. The benefit is twofold: it deters discriminatory heuristics and it generates data for policy adjustment. It also improves legitimacy because public debates can be grounded in evidence rather than anecdotes. Furthermore, transparency reporting supports harmonisation because it enables cross-Member State comparison. The EU can standardise reporting formats through guidance rather than legislation, reducing implementation burden. The Commission’s emphasis on implementation and support suggests an institutional pathway for such standardisation¹. Ethical robustness requires visibility; transparency reporting is visibility.

Complaint mechanisms should be designed with credibility safeguards: independence, confidentiality, clear timelines, and a mandate to produce systemic learning. A complaint mechanism that only offers “customer service” without corrective authority will not change behaviour. Conversely, a mechanism that is purely punitive may increase over-compliance by scaring institutions into further denial. The three-function model—problem-solving, compliance review, learning—balances these risks². In sanctions governance, learning is particularly important: if many complaints arise due to a specific ambiguity, the appropriate solution is a guidance update. This makes governance adaptive and reduces

¹ European Commission. (2025). *Making sanctions effective*.

² Ashraf, N. (2023). *Enhancing complaints mechanisms of European development finance institutions* (Discussion Note 352). European Centre for Development Policy Management.

repeated harm. Complaint mechanisms should also have escalation pathways to national competent authorities and, for cross-border systemic issues, a coordination node at EU level. The EU Sanctions Helpdesk model demonstrates the feasibility of EU-level support structures that aggregate knowledge and provide practical guidance¹. Extending this approach to denial complaints is an ethically coherent step. It would also reduce forum shopping by providing consistent correction routes.

A robust governance regime must also define enforcement priorities to avoid a perverse outcome: high-profile enforcement against minor inadvertent breaches, while sophisticated facilitators remain under-targeted. If enforcement appears arbitrary or focused on easy targets, institutions will over-comply even more and legitimate corridors will shrink. Governance should therefore recommend that Member States and EU bodies focus enforcement on facilitation networks, proxy structures, and deliberate circumvention conduct, consistent with the broader enforcement trajectory described earlier. Commission guidance explicitly frames circumvention risk assessment and due diligence as essential, implying that detection of facilitation patterns is a core policy goal². Ethical robustness aligns with this because targeting facilitators preserves protected corridors. In practical terms, governance should include typologies of facilitation behaviour (proxy payments, third-country routing, false documentation) and provide institutions with examples. This encourages selective tightening where it is justified and prevents blanket denial. Prioritised enforcement also improves deterrence because it targets actors who actually shape circumvention capacity.

Finally, governance must be integrated with monitoring and feedback loops. Governance tools—guidance, complaint mechanisms, transparency reporting, audits—are not effective if they do not trigger policy adjustment. The Commission’s approach to guidance updates and evolving recommendations based on new patterns provides a precedent for adaptive governance³. 4.5.4 will convert this into a structured monitoring model, with indicators and adjustment triggers. For 4.5.3, the key point is that governance against over-compliance and discrimination is itself a feedback system: it detects harm and inconsistency and corrects them through guidance and oversight. Ethically robust social measures therefore require not only principled design (4.5.1) and protected corridors (4.5.2) but also a governance infrastructure that prevents the system from drifting into private, opaque exclusion. If the EU intends social measures to remain credible through 2026–2030, this governance layer is essential. It is also strategically useful: it sustains pressure while preserving legitimacy. The alternative is a regime that becomes politically brittle and legally vulnerable. Therefore, governance is not peripheral; it is core.

4.5.4. Monitoring and Feedback Loop

An ethically robust social-measures regime is not defined only by what it prohibits or permits, but by how it learns. In 2026–2030, EU social measures against Russia will operate in a high-adaptation environment: targets and intermediaries adjust quickly, while unintended harms (over-compliance, discriminatory denials, corridor blockage) often become visible only after they accumulate. A monitoring and feedback loop is therefore not an accessory; it is the mechanism that preserves proportionality, precision, and reversibility in practice. Without a feedback loop, the system drifts into two predictable failure modes: either it becomes increasingly blunt (because policymakers respond to circumvention by adding broad barriers), or it becomes ethically brittle (because protected channels exist on paper but fail operationally). The European Commission’s framing that implementation and effectiveness depend on Member States, supported through coordination tools, implies a governance architecture where continuous monitoring is required to identify weak links and correct practice⁴. Ethical robustness requires that this monitoring is not limited to enforcement outputs; it must also measure protected-channel access and discriminatory spillovers. Monitoring should therefore be designed as a dual-lens

¹ EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk* (platform overview).

² European Commission. (2023). *Guidance for EU operators: Risk assessment of possible circumvention of EU restrictive measures (sanctions) against Russia*.

³ Ibid.

⁴ European Commission. (2025). *Making sanctions effective*.

instrument: pressure outcomes and harm controls. The core design question is not “are sanctions causing inconvenience?” but “are sanctions achieving targeted pressure while keeping protected corridors functional and non-arbitrary?”

The monitoring model must begin with a clear theory of change, because indicator selection depends on what the policy claims to achieve. Social measures are expected to: constrain high-risk facilitation channels, disrupt elite-level normalisation access, increase the cost and risk of circumvention, and preserve EU normative credibility through proportional, differentiated implementation. If these are the goals, then the monitoring system must track: (1) facilitation ecosystem behaviour, (2) corridor functionality for protected categories, (3) consistency and legality of implementation, and (4) adaptation signals indicating circumvention evolution. The European External Action Service’s general sanctions framing underscores that EU restrictive measures are policy tools intended to bring about changes in harmful activities, not punitive instruments per se, which supports a goal-linked evaluative approach rather than a harm-maximisation approach¹. A credible monitoring architecture must also anticipate the political reality of unanimity and decentralised enforcement: it must be implementable under Member State variation, and it must generate comparability without requiring full centralisation. The European Parliament’s research on sanctions implementation and monitoring explicitly notes that reporting requirements have increased but that it is not always clear how monitoring data informs policymaking, which is precisely the gap this section seeks to close². A feedback loop should therefore be designed around explicit “policy adjustment triggers” that connect signals to decisions, rather than collecting data for its sake. The ultimate purpose is to ensure that ethical safeguards remain operative while strategic pressure remains credible.

A practical monitoring model should follow a three-tier structure: operational monitoring (continuous), strategic evaluation (periodic), and independent review (scheduled). Operational monitoring captures day-to-day signals: denial rates, corridor delays, red-flag patterns, and enforcement actions. Strategic evaluation aggregates trends and assesses whether objectives are being met: are facilitation channels becoming riskier and costlier, and are protected corridors usable and non-discriminatory? Independent review adds legitimacy and learning: it tests whether the governance system is producing unintended discrimination and whether proportionality is maintained over time. This layered structure reflects good practice in EU governance more generally, where implementation monitoring and evaluation are distinct but connected functions³. It also matches the nature of sanctions governance, where the Commission supports coordination and tools, while Member States remain primary implementers⁴. Importantly, the system must define who owns each tier: national competent authorities and sectoral regulators for operational metrics; EU-level coordination nodes for aggregation and cross-Member State comparability; and an independent evaluator for periodic review. The monitoring system should also be designed to function under data limitations and confidentiality constraints. It should prioritise non-sensitive, aggregate indicators that can be shared without compromising investigations, consistent with the European Parliament study’s recommendation that annual reporting should use non-sensitive information available to the Council or the European External Action Service⁵. This is ethically important because secrecy can otherwise be used to shield arbitrary practice from scrutiny.

Indicator design must explicitly distinguish between outputs, outcomes, and integrity measures. Outputs are what authorities and regulated entities do: guidance updates, training delivered, audits conducted, enforcement actions initiated, complaint mechanisms operated. Outcomes are behavioural changes in the ecosystem: reduced low-risk facilitation, increased cost of circumvention, reduced availability of intermediaries, improved compliance screening quality. Integrity measures ensure that outcomes are not achieved through ethically unacceptable means: discriminatory denials, blocked medical payments, arbitrary family reunification delays, or de facto exclusion through over-compliance.

¹ European External Action Service. (2025, August 19). *European Union sanctions*.

² European Parliament. (2023). *EU sanctions: Implementation and monitoring*.

³ European Parliament. (2025). *Effectiveness of the EU global human rights sanctions regime*.

⁴ European Commission. (2025). *Making sanctions effective*.

⁵ European Parliament. (2025). *Effectiveness of the EU global human rights sanctions regime*.

The EU Sanctions Compliance Helpdesk’s explanation that “red flags” are indicators requiring deeper due diligence rather than automatic illegality is a useful conceptual bridge here, because it clarifies how a risk-based system should behave operationally¹. If a protected corridor is functioning, red flags should lead to escalation and verification, not blanket denial. If a corridor is failing, red flags become a pretext for systematic refusal, which is both ethically and strategically counterproductive. Therefore, monitoring must track not only the presence of red flags but also the *response pattern* to red flags. The monitoring model must also be granular enough to detect where harm accumulates: across corridor types (education, health, family reunification, civil society) and across Member States. Without corridor-level granularity, aggregate “implementation success” can hide severe access failures in protected domains. This is why a dual-lens dashboard is essential.

A credible feedback loop also requires a disciplined approach to baselines and counterfactuals. In sanctions policy, it is often impossible to establish clean counterfactuals, but one can establish baseline conditions and track directionality. Baselines should include: pre-adjustment corridor throughput (number of approvals/denials), average processing times, and the distribution of reason codes for denials. On the enforcement side, baselines include the volume of suspicious activity reports, referrals, investigations, and public enforcement actions relevant to circumvention facilitation. Over time, changes can be interpreted cautiously: an increase in enforcement actions might indicate improved detection rather than increased violations; a decrease in approvals might indicate either reduced demand or increased over-compliance. This is why the feedback loop must triangulate indicators. The European Commission’s emphasis on “effective and diligent implementation” as key to objectives implies that monitoring must separate detection capability from underlying evasion levels². A mature dashboard will therefore combine process indicators (capability) with outcome indicators (ecosystem behaviour) and integrity indicators (rights-adjacent harms). Ethical robustness is preserved when the dashboard makes it difficult to misinterpret harm as success or to interpret enforcement intensity as failure. The monitoring framework should explicitly document interpretive cautions for each indicator, and adjustment triggers should be defined to avoid politicised interpretation. This is also essential for institutional trust across Member States.

Monitoring should incorporate two complementary data sources: administrative data and market behaviour signals. Administrative data includes national competent authority decisions on exemptions, visa and consular statistics (in aggregated form), enforcement statistics, and complaint mechanism records. Market behaviour signals include changes in compliance screening intensity, platform refusal patterns, and shifts in third-country intermediation that can be inferred from red-flag typologies and trade-flow anomalies. The European Commission’s operator guidance on circumvention risk assessment and the Helpdesk’s red-flag materials provide a structured approach to identifying market behaviour signals that matter for sanctions risk^{3,4}. Ethically, the system should be careful not to rely on opaque private data that cannot be audited; where private-sector signals are used, they should be aggregated and standardised. This supports transparency and reduces the risk that private entities become unaccountable policymakers. Monitoring should also consider data-protection constraints and ensure that personal data is minimised, consistent with EU governance standards. The key is to build a dataset that is sufficient for trend detection and harm detection without becoming invasive. A functional monitoring system does not require perfect data; it requires reliable, comparable data on a small number of critical indicators. The feedback loop should therefore prioritise indicator quality over indicator quantity.

The feedback loop must be designed to close the “implementation–policy gap” identified in sanctions monitoring discussions: additional reporting does not automatically translate into better policy unless there are explicit decision points and triggers. The European Parliament study on sanctions

¹ EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk*.

² European Commission. (2025). *Making sanctions effective*.

³ European Commission. (2023). *Guidance for EU operators: Risk assessment of possible circumvention of EU restrictive measures (sanctions) against Russia*.

⁴ EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk*.

implementation and monitoring notes that increased reporting requirements do not always clearly inform policymaking, implying that feedback mechanisms need to be formalised¹. In this report's proposal, triggers should be tied to pre-defined thresholds: for example, if medical-corridor denials exceed a threshold without documented red flags, guidance must be updated and supervisory engagement initiated; if family reunification processing times exceed an SLA across multiple Member States, harmonisation measures must be activated. If discriminatory disparity indices rise beyond a threshold, an audit and remediation plan must be mandated. On the enforcement side, if circumvention indicators rise in specific hub typologies, targeted enforcement coordination and third-country engagement should be escalated. This trigger logic has two advantages: it reduces arbitrariness and it creates credibility, because stakeholders can see that harms and circumvention signals are treated systematically rather than politically. It also supports reversibility: if a measure is producing unacceptable harm, the system has a procedural mechanism to adjust it. Conversely, if a corridor is being abused, the system can harden verification rather than collapsing the corridor. Trigger-based governance is therefore the operational translation of ethical robustness.

A further requirement is to institutionalise periodic reporting cycles. A workable model for 2026–2030 is quarterly operational reporting and annual strategic evaluation. Quarterly reporting captures fast-moving adaptation signals and operational bottlenecks; annual evaluation assesses whether the system is meeting objectives and maintaining integrity. The European Parliament study on the global human rights sanctions regime explicitly suggests annual reporting by the Council or the European External Action Service on impacts using non-sensitive information, providing a precedent for annual impact-oriented reporting that is feasible under confidentiality constraints². Quarterly operational reporting can remain internal to the governance system, while annual evaluation can include a public-facing summary to support legitimacy and transparency. The annual cycle should also be aligned with the sanctions package cycle: after each major package or substantial guidance update, the system should conduct a targeted “implementation impact review” within a defined timeframe. The European Commission's consolidated guidance and “making sanctions effective” approach implies that iterative implementation support is central to effectiveness³. Therefore, aligning reporting with the rhythm of policy updates is necessary to avoid stale learning. Reporting should also include a structured section on protected channels, not merely on enforcement outputs. This makes it harder for implementation actors to neglect corridors in the pursuit of “compliance safety”.

Independent evaluation should be built into the feedback loop to protect credibility and reduce internal bias. Internal monitoring systems tend to overweight enforcement outputs and underweight harm indicators, especially under political pressure. Independent evaluation, conducted by an institutionally separate body (for example, through a commissioned study or an independent panel), can test whether the system is producing discriminatory outcomes and whether protected corridors are genuinely usable. This approach is consistent with European Parliament practice of commissioning studies that evaluate sanctions regimes and propose monitoring improvements⁴. Independent evaluation should not be framed as a political audit; it should be framed as a learning instrument that improves implementation and reduces litigation risk. It should include qualitative case sampling across Member States, statistical analysis of refusal patterns, and review of guidance efficacy. The evaluator should also test whether complaint mechanisms function as intended: do they resolve cases quickly and do they produce systemic learning? Where possible, the evaluation should incorporate stakeholder interviews with universities, hospitals, NGOs, and regulated entities to identify friction points. The output should be recommendations tied to policy adjustment triggers, ensuring that evaluation results are actionable. This strengthens both ethical and strategic credibility.

¹ European Parliament. (2023). *EU sanctions: Implementation and monitoring*.

² European Parliament. (2025). *Effectiveness of the EU global human rights sanctions regime*.

³ European Commission. (2023). *Guidance for EU operators: Risk assessment of possible circumvention of EU restrictive measures (sanctions) against Russia*.

⁴ European Parliament. (2025). *Effectiveness of the EU global human rights sanctions regime*.

A credible monitoring system also requires robust governance of data quality and comparability. Member States will collect data in different formats, and regulated entities will use different reason categories unless standardised. Therefore, the EU should define a minimum reporting taxonomy: corridor types, reason codes for denials, red-flag categories, and processing time bands. Standardisation does not require disclosing sensitive intelligence; it requires harmonised metadata. This aligns with the broader EU ambition to strengthen implementation cooperation and data sharing in sanctions enforcement discussions, including non-paper proposals that emphasise analysing reporting information centrally to gain insight into circumvention patterns¹. A harmonised taxonomy also improves discrimination auditing because comparable reason codes allow cross-Member State disparity testing. Without standardisation, discrimination is easy to deny because “data is not comparable”. Therefore, taxonomy design is itself an ethical measure. The system should also define data-submission channels and security requirements to protect sensitive operational information. This is a practical constraint but not a reason to abandon comparability. In short, the feedback loop is only as good as its data governance.

The monitoring model should explicitly include a “protected corridors scorecard” alongside an “enforcement effectiveness scorecard”. The corridors scorecard should track: throughput (approvals/denials), timeliness (SLA adherence), integrity (share of denials with documented red-flag justification), and fairness (disparity indices). The enforcement scorecard should track: investigations, prosecutions, facilitator disruption, and changes in high-risk corridor indicators. Both scorecards should incorporate interpretive cautions. The EU Sanctions Compliance Helpdesk’s red-flag doctrine is particularly useful for corridor integrity: it offers a conceptual rule that can be operationalised into a metric—red flags trigger deeper due diligence rather than automatic illegality². If monitoring finds that red-flag presence correlates with automatic refusal across a corridor, that is evidence of over-compliance and corridor failure. Conversely, if red-flags correlate with escalations and conditional approvals, the corridor is functioning as designed. This is precisely the kind of operational indicator that connects ethics to implementation behaviour. For enforcement, red-flag categories can also signal emerging circumvention typologies, enabling targeted adjustment rather than broad tightening. Thus, red-flag governance becomes the bridge between corridors and enforcement.

To make the monitoring model implementable, Table 4.5.4-1 sets out a dashboard of indicators and proposed thresholds that can function as adjustment triggers. Thresholds must be calibrated empirically and may vary by corridor, but the principle is that triggers should be explicit and pre-committed to avoid politicised interpretation. The table also distinguishes “hard triggers” (requiring immediate action) and “soft triggers” (requiring review and investigation). Hard triggers are appropriate for medical and family corridors due to irreparable harm risk. Soft triggers are appropriate for education and civil society, where delays are harmful but may reflect genuine verification complexity. The table is presented as a policy design proposal, not as a claim that thresholds are already adopted in EU practice. Its value is to create an operational link between monitoring and policy adjustment. It also establishes an auditable standard for ethical robustness. In 2026–2030, such a trigger system would substantially reduce the risk that corridors become symbolic.

¹ Strengthening European cooperation to reinforce national efforts on the implementation and enforcement of EU restrictive measures (Non-paper by the Netherlands), 5 November 2024.

² EU Sanctions Compliance Helpdesk. (n.d.). *Red flags: Mastering the indicators of sanctions risk*.

Table 4.5.4-1. Monitoring dashboard and policy adjustment triggers for protected channels and anti-circumvention governance (2026–2030)

Indicator group	Indicator (example operational definition)	Trigger type	Proposed trigger threshold (illustrative)	Default policy response
Protected corridors (health)	Medical-corridor denial rate without documented red flags	Hard	>10% in a quarter	Immediate guidance clarification + supervisory engagement + fast-track escalation route
Protected corridors (family)	Family reunification median processing time vs SLA	Hard	>2× SLA for two consecutive quarters	Harmonised evidence bundle + capacity surge + complaint escalation protocol
Protected corridors (education)	Student approvals as share of complete applications	Soft	>20% drop vs baseline without corresponding risk increase	Review admissions/finance guidance + audit denial reasons
Protected corridors (civil society)	NGO/journalism payment refusal rate	Soft	>15% refusals with “no reason code”	Issue sectoral safe-harbour note + standardised reason codes
Fairness / discrimination	Disparity index in denials (after controlling for red flags)	Hard	Statistically significant sustained disparity	Bias audit + remediation plan + training + updated prohibited proxies list
Over-compliance	Share of denials citing “policy” without legal basis or red flags	Hard	>25% in any corridor	Anti-over-compliance annex update + supervisor enforcement of reason codes
Circumvention signals	Rise in specific red-flag typologies (proxy ownership, routing anomalies)	Soft	>30% increase vs previous year	Update red-flag guidance + targeted enforcement coordination
Enforcement effectiveness	Cases/actions focused on facilitators vs inadvertent breaches	Soft	Facilitator focus falls below target share	Adjust enforcement priorities + publish typologies of facilitation

Authorship: analytical framework (this report) was prepared by the author (proposed monitoring and trigger system).

Sources:

- Operational emphasis on implementation: https://commission.europa.eu/topics/eu-solidarity-ukraine/eu-sanctions-against-russia-following-invasion-ukraine/making-sanctions-effective_en;
- Red-flag doctrine: https://eu-sanctions-compliance-helpdesk.europa.eu/red-flags-mastering-indicators-sanctions-risk_en;
- Monitoring-policy gap in sanctions monitoring: https://www.europarl.europa.eu/RegData/etudes/STUD/2023/702603/EXPO_STU%282023%29702603_EN.pdf;
- Annual reporting suggestion using non-sensitive information: https://www.europarl.europa.eu/RegData/etudes/STUD/2025/754474/EXPO_STU%282025%29754474_EN.pdf.

The feedback loop must specify what “policy adjustment” means in concrete terms. Adjustment can occur through five levers: (1) guidance clarification, (2) workflow modification and resourcing, (3) harmonisation templates and evidence bundles, (4) enforcement reprioritisation, and (5) formal legal amendment where necessary. Most adjustments should be achievable through guidance and workflow changes, because these are faster and align with the EU’s established practice of using FAQs and operator guidance to clarify implementation¹. Workflow modifications may include fast-track lanes for medical cases, standardised evidence bundles for family cases, or dedicated focal points for protected corridors. Harmonisation may include common reason codes and common SLA benchmarks across Member States. Enforcement reprioritisation may include shifting resources towards facilitators and

¹ European Commission. (2025). *Making sanctions effective*.

high-impact circumvention typologies rather than minor inadvertent breaches. Formal legal amendment should be reserved for cases where guidance cannot fix structural ambiguity or where objectives have changed materially. This hierarchy ensures proportionality: the least disruptive adjustment is attempted first. It also supports reversibility: the system can correct itself without waiting for a full legislative cycle. Therefore, adjustment levers should be defined *ex ante* and mapped to trigger categories.

Policy learning must also be institutionalised through a “lessons-learned integration” mechanism that connects monitoring outputs to subsequent sanctions packages and guidance updates. One failure mode in complex governance is that lessons are identified but not integrated into policy cycles, resulting in repetitive harm. The European Parliament study’s observation that it is not always clear how monitoring data informs policymaking implies that integration mechanisms need explicit design¹. Integration can be operationalised through a structured annex to each major package or guidance update: what monitoring signals were observed, what harms were detected, what adjustments were made, and why. This annex can be partially internal for sensitive content, but a non-sensitive summary should be published to support legitimacy. Integration also improves consistency: if Member States see that certain patterns trigger certain adjustments, they align their implementation behaviour. It also improves private-sector compliance because operators can anticipate guidance evolution based on monitoring. In this sense, integration is a stabilising force. Ethical robustness requires stability in protected corridors: applicants should not face unpredictable changes. Integration mechanisms therefore need to balance adaptation with predictability, using scheduled update cycles rather than constant *ad hoc* changes. This is why quarterly internal reviews and annual public summaries form a coherent rhythm.

The feedback loop should also include explicit “stop-loss” rules for protected corridors to prevent irreparable harm. Stop-loss rules are pre-committed actions taken when harm indicators cross thresholds, such as the immediate activation of a medical fast-track channel or the temporary suspension of a problematic documentary requirement. These rules recognise that some harms cannot be “fixed later”. They are ethically necessary for health and family domains. Stop-loss rules also protect the sanctions regime itself: visible humanitarian failures are politically explosive and can trigger backlash leading to indiscriminate easing or politicised tightening. Therefore, stop-loss rules are not softness; they are stability tools. They should be embedded in national competent authority workflows and reinforced through EU guidance. The EU’s broader sanctions governance already acknowledges the need for workable procedures and guidance for derogations, which supports formalising emergency practices for protected corridors². Stop-loss rules can also be audited, which prevents abuse and maintains integrity. In a mature governance system, stop-loss rules are part of responsible policy.

Independent evaluation should be complemented by “independent ethics review” for particularly sensitive social measures. Ethics review does not replace legal review; it anticipates legitimacy risks and harm patterns that law alone may not capture. The European Parliament study’s discussion of civil society input and systematised study of views suggests that structured external input can improve sanctions governance and monitoring³. An ethics review panel could include experts in fundamental rights, humanitarian operations, education governance, and compliance implementation. Its mandate would be to review corridor performance and discrimination audits, and to propose adjustments. The panel would operate within confidentiality constraints but would publish aggregated findings. This strengthens EU credibility and reduces the risk that protected corridors become symbolic. It also reduces litigation risk by demonstrating proportionality diligence. Ethics review should be scheduled annually and aligned with strategic evaluation cycles. This ensures it is not reactive crisis management. The cost is modest relative to the legitimacy benefits.

A practical monitoring system must also account for the incentives of regulated entities. Without incentives, banks and platforms will continue to over-comply because denial is cheaper than nuanced

¹ European Parliament. (2023). *EU sanctions: Implementation and monitoring*.

² European Commission. (2025). *Making sanctions effective*.

³ European Parliament. (2025). *Effectiveness of the EU global human rights sanctions regime*.

assessment. Monitoring should therefore include metrics that capture private-sector behaviour: reason codes for refusals, escalation usage, and corridor throughput. Where large gatekeepers show systematic over-compliance, supervisors should engage them through balanced compliance expectations, as discussed in 4.5.3. Monitoring data can inform supervisory prioritisation. The EU Sanctions Compliance Helpdesk's role in assisting businesses suggests institutional readiness to support operators, which can be extended into monitored sectoral guidance improvements^{1,2}. In effect, monitoring becomes a tool for shaping compliance culture. This is important because social measures are implemented through distributed compliance, not only through state enforcement. Ethical robustness therefore requires that the monitoring system can "see" private gatekeeping. Transparency reporting by large entities can provide aggregated data without exposing individual cases. Such reporting can be harmonised through templates. This makes monitoring feasible and comparable.

The monitoring system should also incorporate cross-Member State benchmarking to reduce arbitrary divergence. Benchmarking does not mean naming and shaming; it means identifying outliers and offering targeted support or harmonisation interventions. If one Member State has markedly higher denial rates for protected corridors without corresponding red-flag patterns, this suggests over-compliance or administrative bottlenecks. If another has unusually low denial rates with high circumvention signals, this suggests weak enforcement. Benchmarking allows targeted correction rather than broad policy shifts. It also reduces forum shopping and circumvention routing. The Commission's framing that sanctions implementation is primarily a Member State responsibility, supported by Commission coordination, implies a governance structure in which comparative monitoring is legitimate and useful³. Benchmarking should also be used to identify best practices: where corridors function well, templates can be shared. This supports harmonisation. It also supports legitimacy: stakeholders see that the system learns from success. Benchmarking therefore forms an important component of the feedback loop.

Finally, the monitoring and feedback loop must be integrated with the ethical design principles established in 4.5.1–4.5.3. Proportionality requires that harm indicators are monitored and trigger adjustment. Precision requires that reasons and red-flag responses are documented and comparable. Reversibility requires that review cycles and sunset mechanisms are operationally meaningful, not symbolic. Protected channels require corridor scorecards and stop-loss rules. Governance against over-compliance requires audits, complaint mechanisms, and transparency reporting to surface systemic bias. The EU governance ecosystem already provides elements of this: implementation emphasis⁴, red-flag risk doctrine⁵, and methodological work on monitoring and annual reporting^{6,7}. The report's proposal is to integrate these elements into a single coherent system with explicit triggers and adjustment levers. If implemented, this system would enable the EU to sustain strategic pressure while protecting legitimacy and avoiding discriminatory spillovers. In a 2026–2030 horizon, that is the defining challenge of ethically robust social measures: not to eliminate adaptation, but to govern pressure responsibly through continuous learning. Monitoring is the mechanism that makes that possible.

¹ EU Sanctions Compliance Helpdesk. (n.d.). *EU Sanctions Helpdesk*.

² European Commission. (2025). *Making sanctions effective*.

³ Ibid.

⁴ Ibid.

⁵ EU Sanctions Compliance Helpdesk. (n.d.). *Red flags: Mastering the indicators of sanctions risk*.

⁶ European Parliament. (2023). *EU sanctions: Implementation and monitoring*.

⁷ European Parliament. (2025). *Effectiveness of the EU global human rights sanctions regime*.

PART FIVE

Sanctions in the Legal Sphere and Their Effectiveness

5.1. General Characteristics of Legal Sanctions

5.1.1. Legal Sanctions as a Normative and Institutional Regime

As established in the conceptual framework of the present report, modern sanctions should not be understood as isolated prohibitions, but as multi-level policy regimes combining legal, political, economic, administrative, and enforcement components. That earlier analytical premise is especially important for the legal dimension, because legal sanctions are often mistakenly reduced to a list of bans, whereas in practice they operate as an institutionalised system of rule-production, interpretation, compliance, derogation, review, and enforcement. In the EU context, their significance lies not only in the formal adoption of restrictive measures, but also in the creation of a stable legal environment within which public authorities, courts, market actors, and regulated intermediaries are expected to act. Legal sanctions therefore function as a structured regime of constrained legality: they redefine what transactions, services, recognitions, and forms of cooperation remain lawful, which actors are disqualified from ordinary legal circulation, and which procedures continue to be available under controlled conditions. This makes the legal sphere qualitatively different from the merely political one. Political sanctions may signal, stigmatise, and delegitimise, but legal sanctions convert strategic choices into binding norms and administrable duties. For this reason, the legal sanctions regime must be analysed not as an appendix to economic restrictions, but as one of the constitutive layers of the EU's overall coercive architecture towards the Russian Federation. Such an approach is consistent both with the report's earlier systemic definition of sanctions and with the EU's understanding of restrictive measures as preventive, institutional, and rule-governed instruments^{1,2}.

A first analytical clarification is that EU legal sanctions are formally framed as restrictive measures, and not as criminal punishment in the classical sense. This distinction is not semantic; it shapes the legal logic of the whole regime. The official EUR-Lex summary expressly characterises EU sanctions as preventive and non-punitive instruments intended to induce a change in policy or activity by the target party. That wording is crucial because it explains why the Union presents sanctions as instruments of external action, not as retrospective adjudication of guilt. Yet, although non-punitive in legal character, sanctions undoubtedly impose serious coercive effects: they immobilise assets, interrupt contractual expectations, exclude actors from markets and services, and sharply narrow lawful channels of transnational activity. The resulting legal condition is therefore preventive in doctrine but coercive in operation. This duality is one of the central reasons why legal sanctions must be studied as a regime rather than a single measure. A one-off ban could be understood as an isolated intervention, but a continuing system of preventive restrictions, periodic renewals, interpretative guidance, and enforcement mechanisms constitutes a legally distinct mode of governance. In the case of Russia, this regime has evolved from targeted restrictions into a dense, cumulative, and highly operationalised field of Union law^{3,4}.

¹ European Union. (2024). *General framework for EU sanctions*.

² Council of the European Union. (2025). *The EU sanctions process explained*.

³ European Union. (2024). *General framework for EU sanctions*.

⁴ European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

The second essential feature of the regime is its dual constitutional basis within EU law. The legal structure of Union sanctions rests on the interaction between Article 29 TEU and Article 215 TFEU, and this duality is foundational for understanding the legal sphere. Under Article 29 TEU, the Council adopts Common Foreign and Security Policy decisions that define the political choice to impose, renew, amend, or lift restrictive measures. Under Article 215 TFEU, the Council adopts regulations giving effect to the economic and financial dimensions of those CFSP decisions, thereby ensuring uniform application across Member States. This architecture means that legal sanctions are never only foreign-policy declarations and never only internal-market rules. They arise at the intersection of CFSP norm-setting and directly applicable regulatory law. That intersection is what gives the EU sanctions regime both its external-policy rationale and its internal legal force. In analytical terms, the importance of this dual structure is that the sanctions regime is legally hybrid but institutionally coherent: its political origin does not deprive it of juridical precision, and its regulatory form does not erase its strategic purpose^{1,2}.

This dual basis also explains why sanctions should be treated as a regime of layered legal production rather than a single legislative act. The Council decision under the CFSP expresses the Union's external-policy position and establishes the core restrictive orientation. The accompanying Council regulation converts that orientation into binding obligations for operators under EU jurisdiction. The process explained by the Council itself shows that this is not an improvised sequence, but a structured institutional pipeline involving proposals by the High Representative, examination by the relevant preparatory bodies, agreement in Coreper II, adoption by the Council, and publication in the Official Journal. Where the regime includes asset freezes, financial restrictions, or other economic measures, a regulation is required in addition to the decision. The result is simultaneous strategic and legal effect: the Union defines the target politically while constraining conduct normatively. This structured production model matters greatly for long-term sanctions because it enables package-by-package expansion without losing legal continuity. What appears publicly as a new "package" is therefore, in legal terms, a further iteration within an already established regulatory regime^{3,4}.

For the Russian case, the legal sanctions regime is built around two primary and mutually reinforcing pillars: Council Regulation (EU) No 269/2014 and Council Regulation (EU) No 833/2014, each linked to corresponding CFSP decisions. Regulation 269/2014 established the listing-based architecture, including travel restrictions and the freezing of funds and economic resources of designated persons and entities associated with actions undermining Ukraine's territorial integrity, sovereignty, and independence. Regulation 833/2014 introduced the broader sectoral architecture, concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. The two instruments perform distinct but interconnected legal functions. The first individualises restriction through listing and immobilisation; the second systematises sectoral prohibition across finance, trade, services, technology, transport, and related domains. Since 2022, both pillars have been massively expanded, refined, and amended, transforming what began in 2014 as a more limited framework into a mature and highly differentiated legal regime. The Commission's Russia sanctions page continues to identify these regulations as the core texts creating legal obligations for all persons and bodies under EU jurisdiction^{5,6,7}.

Another important point is that the regime is not static even when its legal core remains formally continuous. The original 2014 regulations remain in force, but they now exist in repeatedly amended and consolidated forms, reflecting the cumulative development of the sanctions' architecture. EUR-Lex identifies Regulation 833/2014 as being in force with a current consolidated version dated 16 January

¹ European Union. (2024). *General framework for EU sanctions*.

² European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

³ Council of the European Union. (2025). *The EU sanctions process explained*.

⁴ European Union. (2024). *General framework for EU sanctions*.

⁵ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁶ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁷ European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

2026, while Regulation 269/2014 is shown as in force with a current consolidated version dated 15 December 2025. These dates are more than technical metadata. They demonstrate that the legal regime is maintained through iterative recalibration rather than through periodic replacement by wholly new instruments. In practice, this gives the Union a significant governance advantage. It allows new restrictions to be inserted into a stable normative framework, preserves accumulated jurisprudential interpretation, and reduces the administrative costs of rebuilding the legal structure from scratch each time the sanctions perimeter is widened. For analytical purposes, this means that legal sanctions against Russia must be read as a living regulatory framework, not as a finite set of one-time emergency acts^{1,2,3}.

The internal composition of this framework confirms its regime-like nature. EU legal sanctions do not consist merely of headline prohibitions. They also include annexes identifying listed persons, definitions clarifying controlled goods or services, derogations and exemptions, notification duties, authorisation procedures, liability shields for compliant operators in certain circumstances, anti-circumvention clauses, and links to national competent authorities. This layered design is critical because a sanctions regime must do more than prohibit; it must also determine who may decide exceptions, under what conditions, on the basis of which evidence, and with what reporting consequences. A measure that bans without structuring derogation and control would be politically expressive but administratively brittle. The EU model instead attempts to create an operable compliance environment. It is precisely through this dense internal architecture that legal sanctions acquire durability. The regime survives not because it is blunt, but because it is administratively differentiated^{4,5,6}.

A further reason to conceptualise legal sanctions as a regime is that their addressees are broader than the immediately targeted Russian persons or institutions. In legal effect, sanctions are addressed to all individuals, organisations, and bodies under EU jurisdiction whose conduct may intersect with the prohibited relationship. The Commission explicitly states this on its Russia sanctions page. This is a decisive point. Sanctions law is not addressed only to the target; it is addressed to the environment around the target. Banks must freeze or refuse transfers. Companies must withhold exports, services, and financing. Lawyers, consultants, accountants, logistics providers, insurers, notaries, and data intermediaries may all become bearers of sanctions duties depending on the provision at issue. The legal regime therefore works through the transformation of third-party conduct. The sanctioned actor is constrained not only because the EU has announced opposition, but because thousands of regulated actors must alter their behaviour in order to avoid participating in unlawful dealings. In this sense, legal sanctions are a regime of distributed obligation^{7,8}.

This distributed obligation is tied to a broad jurisdictional design. Regulation 833/2014 applies within the territory of the Union, on board aircraft and vessels under Member State jurisdiction, to nationals of Member States wherever located, to legal persons incorporated under the law of a Member State, and to business done in whole or in part within the Union. The services FAQ confirms that, by virtue of Article 13, nationals of Member States remain subject to the prohibition even outside Union territory. This broad jurisdictional reach is a central feature of the sanctions' regime. It ensures that legal sanctions cannot easily be reduced to border measures only. Instead, they function as a transnational compliance framework attached to EU legal personality, territorial nexus, and market access. The legal importance

¹ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

² Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

³ European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁴ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁵ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁶ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

⁷ European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁸ Council of the European Union. (2025). *The EU sanctions process explained*.

of this structure is substantial. It widens the enforcement surface, increases incentives for private diligence, and prevents operators from escaping the regime merely by relocating parts of a transaction or service chain beyond EU territory. The sanctions regime thus extends through legal connection, not only through physical geography^{1,2}.

The substantive logic of the regime is equally revealing. Listing-based legal sanctions operate through immobilisation rather than confiscation. Regulation 269/2014 provides that all funds and economic resources belonging to, owned, held, or controlled by listed persons or entities shall be frozen, and that no funds or economic resources shall be made available, directly or indirectly, to or for their benefit. This is not simply a financial inconvenience. It is a juridical technique for suspending ordinary access to property-like resources and excluding listed actors from normal legal circulation without formally extinguishing title in the same way as confiscation. That distinction matters for both doctrinal and practical reasons. Doctrinally, it sustains the EU's presentation of sanctions as preventive restrictions rather than criminal penalties. Practically, it creates a system in which the ability to use, transfer, monetise, leverage, or reorganise assets is interrupted pending legal and political review. Legal sanctions thereby function as instruments of controlled incapacitation^{3,4}.

Sectoral legal sanctions operate through a complementary logic of denial and disconnection. Regulation 833/2014 was introduced to impose additional restrictive measures with a view to increasing the costs of Russia's actions and promoting a peaceful settlement of the crisis. Over time, this has developed into a dense web of prohibitions covering finance, export of dual-use items, advanced technology, specialised services, transport, energy-related activities, and more. In legal terms, the important point is not merely that the Union forbids certain transactions. The deeper point is that it creates a structured perimeter around the target economy, identifying which relations are unlawful, which are licensable, and which remain conditionally lawful. This turns sanctions into a system of selective legal disconnection. Such disconnection is not absolute; it is managed and differentiated. However, it is precisely because the regime is selective that it can be sustained longer and defended more plausibly as proportionate. Legal sanctions therefore function as a calibrated architecture of exclusion rather than a total legal rupture^{5,6}.

At the operational level, this legal architecture relies on private actors as decentralised enforcers. Union sanctions law does not execute itself. It is translated into practical effect by banks refusing payments, compliance teams blocking transactions, logistics firms declining carriage, software vendors disabling access, professional-service providers withdrawing from representations, and registrars or notarial actors re-evaluating lawful availability of legal acts and services. The law thereby creates a sanctions environment in which regulatory risk is internalised by private operators. This is one of the most important reasons why sanctions should be conceptualised as a regime. A criminal prohibition can exist without changing the behaviour of an entire market structure. A sanctions regime, by contrast, depends on exactly such a behavioural cascade. It transforms compliance departments, legal advisers, and regulated intermediaries into nodes of real-world enforcement. The result is a fusion of public norm-setting and private implementation which gives legal sanctions their practical density. Without this distributed compliance function, the formal legal texts would remain strategically weak^{7,8,9}.

¹ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

² European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

³ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁴ European Union. (2024). *General framework for EU sanctions*.

⁵ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁶ European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁷ Ibid.

⁸ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

⁹ European Union. (2024). *General framework for EU sanctions*.

Yet the presence of private implementation does not diminish the importance of public institutions; on the contrary, it heightens it. Member States remain responsible for implementation, authorisation practice, and penalties, while the Commission monitors whether regulations are implemented properly and in a timely manner. The Council's explanatory materials emphasise that sanctions are implemented by Member States and reviewed regularly. This creates a classic regime problem: the legal framework is Union-wide, but many operational decisions remain nationally administered. The result is an inevitable tension between uniformity of law and diversity of administrative practice. Different competent authorities may interpret evidentiary sufficiency, derogation criteria, or service-scope questions with varying degrees of strictness. That tension is not an accidental flaw. It is built into the constitutional architecture of the Union. For analytical purposes, the key implication is that a legal sanctions regime must be assessed not only at the level of texts, but also at the level of implementation ecology^{1,2}.

The Commission's interpretative role is therefore a major component of the regime. EUR-Lex notes that the Commission supports individuals, businesses, humanitarian operators, and Member States by publishing guidance notes and answering interpretative questions raised by national competent authorities. The Russia sanctions page records continuing FAQ updates into January 2026, including updates concerning services and other operational issues. This demonstrates that legal sanctions are sustained through an adaptive interpretative layer in addition to hard-law provisions. That interpretative layer does not formally replace the binding regulation, and the Court of Justice remains the ultimate source of authoritative legal interpretation. Nevertheless, from an operational standpoint, guidance documents, FAQs, compliance notes, and Commission communications are indispensable. They reduce uncertainty, compress implementation divergence, and make the legal regime more legible to operators who must apply it in real time. In this sense, legal sanctions are governed not only through legislation but also through structured interpretative maintenance^{3,4,5}.

A particularly revealing sign of regime maturity is the centrality of anti-circumvention logic. Regulation 833/2014 prohibits participation, knowingly and intentionally, in activities the object or effect of which is to circumvent prohibitions in the Regulation. The services FAQ further shows how the Union operationalises this principle, for example by stressing that indirect provision of restricted services to non-Russian subsidiaries may still be prohibited where those services would in fact benefit a Russian parent. This is a decisive shift in legal method. The regime is no longer confined to enumerated direct transactions; it increasingly evaluates functional benefit, indirect structure, and circumvention purpose. Such an approach marks the transition from a simple prohibitory model to a more network-aware governance model. In long-duration sanctions, this transition is unavoidable, because the target adapts faster than static rulebooks. Anti-circumvention provisions therefore perform a regime-preserving function: they keep the legal perimeter from becoming obsolete the moment intermediaries redesign the transaction chain^{6,7}.

To synthesise the above architecture in operational terms, the legal sanctions regime can be represented as a layered institutional structure rather than a flat list of bans. Table 5.1.1-1 summarises the principal layers and their analytical significance for the present report. (*Prepared by the report drafting team on the basis of official EU legal and institutional sources*).

¹ Council of the European Union. (2025). *The EU sanctions process explained*.

² European Union. (2024). *General framework for EU sanctions*.

³ Ibid.

⁴ European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁵ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

⁶ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁷ European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

Table 5.1.1-1. Core layers of the EU legal sanctions regime against Russia as a normative and institutional structure

Layer of the regime	Main legal / institutional anchor	Practical function	Analytical significance
Constitutional-political layer	Article 29 TEU; CFSP Council decisions	Defines the Union's restrictive position, target profile, and renewal / amendment logic	Shows that sanctions begin as foreign-policy norm-setting, not as isolated market regulation
Regulatory layer	Article 215 TFEU; Council Regulations 269/2014 and 833/2014	Creates directly applicable obligations concerning freezing, denial, prohibition, and conditional derogation	Converts strategic intent into binding legal duties across the Union
Administrative-implementation layer	Member States; national competent authorities; authorisation procedures	Processes licences, derogations, notifications, and case-by-case decisions	Reveals that effectiveness depends on implementation quality, not only on formal legal text
Interpretative-operational layer	Commission FAQs, guidance, compliance notes, updates	Clarifies scope, reduces uncertainty, supports more uniform application	Demonstrates that the regime is maintained through continuous interpretative governance
Enforcement layer	National penalties; Directive (EU) 2024/1226; cooperation among authorities	Criminalises and prosecutes serious violations and circumvention	Marks the shift from compliance support to coercive enforcement harmonisation
Judicial-control layer	CJEU and General Court review; national courts via references	Reviews legality, proportionality, statement of reasons, and evidentiary basis	Preserves rule-of-law legitimacy and protects the defensibility of the regime

Authorship: analytical framework (this report) was prepared by the report drafting team on the basis of official EU legal and institutional sources.

Sources:

- Official EUR-Lex summaries on the EU sanctions framework and criminalisation of violations.
- Consilium explanation of the sanctions process.
- Council Regulations 269/2014 and 833/2014.
- Commission Russia sanctions page and services FAQ.

The next layer to emphasise is the enforcement turn now visible in Union law. Directive (EU) 2024/1226 is especially important because it establishes minimum EU-wide rules for defining criminal offences and penalties for the violation and circumvention of Union restrictive measures. The directive expressly links effective application of restrictive measures to the integrity of the internal market and to security within the area of freedom, security and justice. It also identifies a wide range of sanctionable conduct, including failure to freeze assets, provision of prohibited services, concealment of funds that should be frozen, and circumvention-related behaviour. This matters analytically because it shows that legal sanctions are no longer maintained primarily through administrative expectation and reputational pressure. They are increasingly anchored in a hardening enforcement framework with harmonised offence definitions and more structured cooperation among national and EU authorities. In other words, the sanctions regime is evolving from a predominantly compliance-mediated system into a compliance-plus-criminal-enforcement system. That development is central to any serious assessment of legal sanctions in the 2022–2026 period^{1,2}.

This enforcement turn also changes the analytical meaning of legal sanctions. Once violations and circumvention are criminalised on a more harmonised basis, sanctions law ceases to be only a regime of prohibited relationships and becomes a regime of legally structured investigative priority. The directive's emphasis on effective, proportionate, and dissuasive penalties, legal-person liability,

¹ European Parliament and Council of the European Union. (2024). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

² European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

freezing and confiscation linkages, and institutional cooperation illustrates that the sanctions field is being integrated into the Union's broader enforcement and security architecture. That has at least three long-term implications. First, it increases the seriousness with which operators must treat sanctions compliance. Secondly, it reduces the space for Member States to maintain radically divergent approaches to violation and circumvention. Thirdly, it strengthens the argument that sanctions law is no longer peripheral foreign-policy regulation, but a more centralised branch of EU governance intersecting with criminal law, internal-market integrity, financial supervision, and security policy. This is precisely what one would expect from a mature regime. The legal sphere is no longer simply where sanctions are written down; it is where they are operationally institutionalised^{1,2}.

At the same time, the very fact that sanctions operate as a regime makes rule-of-law constraints indispensable rather than optional. The deeper and more durable the legal structure becomes, the greater the need for judicial review, reason-giving, evidentiary discipline, and effective legal protection. EU case-law has repeatedly insisted that review of restrictive measures cannot be reduced to a merely abstract examination of the cogency of the Council's reasons. The General Court has reiterated that judicial review must concern whether the factual allegations underpinning the listing are substantiated, at least insofar as one sufficient reason can independently support the decision. This is a critical feature of legal sanctions as a regime. It prevents the transformation of restrictive measures into an unchecked administrative black box. It also compels the Council and implementing institutions to maintain documentary discipline over time. In long-term sanctions against Russia, that discipline is especially important because repeated renewals and expansions increase litigation exposure. Rule-of-law constraints therefore do not weaken the regime; they stabilise it by making it more defensible^{3,4}.

The same logic applies to the principles of legal certainty and effective judicial protection. In *Rosneft*, the Court confirmed both the justiciability of relevant restrictive-measures questions and the need to interpret the exclusion of jurisdiction in the CFSP field strictly where legality of restrictive measures against natural or legal persons is concerned. The Court also held that the use of general legal categories does not in itself breach the principle of *nulla poena sine lege certa*, provided that the relevant provisions are sufficiently clear in the large majority of cases and can be interpreted with judicial assistance where necessary. This is highly instructive for the present report. It means that long-term legal sanctions need not eliminate every grey area to remain valid, but they must remain intelligible enough to guide conduct and support enforcement. Equally, because sanctions implementation often occurs through national courts and administrative authorities, access to judicial review is indispensable for preserving coherence across the regime. The legal sanctions system thus rests on a balance: it must be flexible enough to address adaptive circumvention, yet precise enough to survive judicial scrutiny. That balance is one of the defining characteristics of sanctions as an institutional regime⁵.

Taken together, the evidence supports a clear analytical conclusion. Legal sanctions against Russia should be understood not as a loose collection of restrictive acts, but as a normative and institutional regime composed of interlocking constitutional, regulatory, administrative, interpretative, enforcement, and judicial layers. Their strategic value lies not only in what they prohibit, but in how they organise legal space, reassign permissible conduct, discipline intermediaries, and convert geopolitical intent into durable, reviewable, operational norms. This regime has become progressively denser since 2014 and especially since 2022, while remaining anchored in stable legal foundations under Article 29 TEU and Article 215 TFEU. Its future effectiveness will therefore depend less on the mere addition of further prohibitions and more on the quality of drafting, implementation convergence, anti-circumvention

¹ European Parliament and Council of the European Union. (2024). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

² European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

³ General Court of the European Union. (2024). *Restrictive measures adopted in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (Case T-363/22)*.

⁴ Court of Justice of the European Union. (2013). *Commission and Others v Kadi (Joined Cases C-584/10 P, C-593/10 P and C-595/10 P)*.

⁵ Court of Justice of the European Union. (2017). *PJSC Rosneft Oil Company v Her Majesty's Treasury and Others (Case C-72/15)*.

design, and judicial defensibility. In that sense, legal sanctions are best seen as a form of long-horizon governance under conditions of conflict. They are not merely instruments of immediate pressure, but an evolving legal infrastructure for coercion, exclusion, conditionality, and controlled reversibility. For Part Five of the present report, this understanding is foundational, because it clarifies why later subsections must analyse not only particular measures, but also the legal resilience of the regime as a whole^{1,2,3}.

5.1.2. Sources of Legal Authority and Regulatory Architecture

If 5.1.1 established that EU legal sanctions should be treated as a regime rather than a loose aggregation of prohibitions, 5.1.2 must identify the formal sources of that regime and the institutional architecture through which it is produced, updated, interpreted, and enforced. This question is not merely technical. In the Russian case, the effectiveness, durability, and justiciability of sanctions depend to a very large extent on whether the legal chain from political decision to binding obligation is internally coherent. In other words, the legal force of sanctions derives not only from substantive prohibitions, but from the authority structure that makes those prohibitions lawful, administrable, and reviewable. The present report has already argued in earlier parts that EU sanctions function as a cumulative and governance-like system, rather than as a static catalogue of isolated restrictions. That same analytical logic applies here with particular clarity: the legal architecture must be read as a system of source layers, each with a different institutional function and evidentiary significance. For that reason, a rigorous examination of the legal sphere requires attention to treaty bases, secondary legislation, implementing acts, interpretative instruments, national enforcement rules, and judicial safeguards. Only by distinguishing those layers can one properly assess where the legal regime is strong, where it is vulnerable, and where later subsections should look for effectiveness or failure^{4,5}.

At the highest level, the source structure of EU sanctions rests on the interaction between Article 29 TEU and Article 215 TFEU, and this dual foundation is the starting point of the entire regulatory architecture. Article 29 TEU provides that the Council shall adopt decisions defining the Union's approach to a particular geographical or thematic matter and that Member States must ensure that their national policies conform to those Union positions. Article 215 TFEU then provides the bridge into binding economic and financial measures: where a CFSP decision so provides, the Council, acting on a joint proposal from the High Representative and the Commission, adopts the necessary restrictive measures, including against natural or legal persons and non-state entities. Article 215 also expressly requires that such acts include the necessary provisions on legal safeguards. This last element is especially important because it shows that legal protection is not external to the sanctions' architecture; it is embedded in the treaty basis itself. The dual structure therefore does two things simultaneously. It preserves the political-strategic nature of sanctions as instruments of external action, while also converting them into legally operable measures within the Union legal order^{6,7,8}.

This dual treaty base has major analytical consequences for how sanctions should be interpreted. It means that EU sanctions are never purely diplomatic declarations and never merely ordinary market regulation. Rather, they are hybrid acts situated at the intersection of the Common Foreign and Security Policy and the Union's internal legal mechanisms for giving effect to external-action decisions. That is why the Russia regime can combine geopolitical purpose with uniform obligations for banks, exporters, service providers, transport actors, and other regulated intermediaries. It also explains why legal analysis must distinguish between the political act that defines the Union position and the regulatory act

¹ European Union. (2024). *General framework for EU sanctions*.

² European Parliament and Council of the European Union. (2024). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

³ European Commission. (2026a). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁴ European Union. (2024). *General framework for EU sanctions*.

⁵ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

⁶ European Union. (2012). *Consolidated version of the Treaty on European Union, Article 29*.

⁷ European Union. (2016). *Consolidated version of the Treaty on the Functioning of the European Union, Article 215*.

⁸ European Union. (2024). *General framework for EU sanctions*.

that structures operative compliance. Without Article 29 TEU, the sanctions regime would lack a clear CFSP anchor. Without Article 215 TFEU, it would lack the legal machinery needed to ensure uniform application across Member States. The architecture is therefore not a procedural formality but the central mechanism by which policy intent is transformed into enforceable law^{1,2}.

The institutional path from treaty authority to operative sanction is itself highly structured. The Council's official explanation of the adoption procedure shows that sanctions proposals are examined in specialised preparatory bodies, including the geographical working party responsible for the relevant region, the Working Party of Foreign Relations Counsellors (RELEX), and, where necessary, the Political and Security Committee, before moving to Coreper II and then to the Council. Where a regulation is required, the High Representative and the Commission submit a joint proposal, which is examined by RELEX and then forwarded for adoption. This demonstrates that the regulatory architecture is both political and technocratic. Political, because the final decision remains tied to the external-action priorities of the Union; technocratic, because drafting, legal calibration, and implementability are filtered through multiple institutional stages before adoption. The process also shows that sanctions are not normally generated through a single institutional centre. They emerge from a chain of coordinated bodies, each contributing to legal precision, political alignment, or operational feasibility. In long-term sanctions practice, this chain is one of the main sources of regime durability^{3,4}.

A further nuance deserves emphasis here. The Council's sanctions procedure page states that decisions and regulations on sanctions are adopted by the Council by unanimity, reflecting the political reality that sanctions packages are treated as consensus-sensitive acts among Member States. However, the treaty text of Article 215 TFEU states that the Council acts by qualified majority on a joint proposal from the High Representative and the Commission when adopting the necessary implementing measures. This is not a contradiction so much as a constitutional and political duality. In formal treaty design, the implementing regulation belongs to a legal procedure under the TFEU. However, in practical sanctions politics, the regulation is embedded in a package logic that is negotiated and advanced only once political unanimity has effectively been secured. For analytical purposes, the result is clear: the architecture is legally differentiated but politically consensus-driven. This is one reason why sanctions packages often appear as unified political products even though they rest on different formal legal bases^{5,6}.

Within this framework, CFSP Council decisions under Article 29 TEU perform the strategic and normative function of defining the Union's stance. They identify the relevant situation, establish the general restrictive approach, and bind Member States to align their national policies with the Union position. In the Russian case, that function is indispensable because sanctions are not treated as generic trade-management instruments, but as legally formalised responses to a defined external-policy situation. A CFSP decision therefore does more than announce intent. It establishes the political-legal perimeter within which later sectoral, financial, personal, and service-related restrictions are to be understood. It also supplies the formal reference point for subsequent renewal, amendment, or escalation. In this sense, the decision is the regime's strategic charter. It does not by itself do all the operational work, but it supplies the authoritative Union position without which the implementing regulatory layer would lack its governing rationale^{7,8}.

By contrast, Council regulations adopted under Article 215 TFEU perform the operationalising function. They are the instruments that turn the Union's restrictive approach into legally binding obligations capable of uniform application in all Member States. The official EUR-Lex summary states this directly,

¹ European Union. (2024). *General framework for EU sanctions*.

² Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

³ Ibid.

⁴ European Union. (2024). *Restrictive measures (sanctions) — EUR-Lex glossary*.

⁵ European Union. (2016). *Consolidated version of the Treaty on the Functioning of the European Union, Article 215*.

⁶ Council of the European Union, 2025a

⁷ European Union. (2012). *Consolidated version of the Treaty on European Union, Article 29*.

⁸ European Union. (2024). *Restrictive measures (sanctions) — EUR-Lex glossary*.

and the treaty text makes clear that the regulation is the mechanism through which economic and financial relations may be interrupted or reduced and restrictive measures imposed on natural or legal persons and other entities. The Russian case confirms the practical importance of this layer. Once the regulation enters into force, operators under EU jurisdiction must adjust their conduct accordingly: freezing funds, refusing transactions, withholding exports, declining prohibited services, and applying authorisation procedures where allowed. Article 215 TFEU also requires that acts adopted under it include the necessary provisions on legal safeguards, which means that the regulatory layer is not simply coercive but normatively bounded. This is a defining feature of EU sanctions architecture. The regulation is not only a prohibition mechanism; it is also the core legal instrument through which the regime is rendered reviewable, uniform, and administrable^{1,2}.

The Russia sanctions regime illustrates this architecture in especially clear form through the pairing of foundational CFSP decisions and regulations. On the listing side, Council Decision 2014/145/CFSP was paired with Council Regulation (EU) No 269/2014, creating the legal architecture for travel restrictions and asset freezes against persons and entities connected with actions undermining or threatening the territorial integrity, sovereignty, and independence of Ukraine. On the sectoral side, Council Decision 2014/512/CFSP was paired with Council Regulation (EU) No 833/2014, establishing the framework for broad restrictive measures concerning Russia's actions destabilising the situation in Ukraine. The entry-into-force clauses of these acts are also revealing. Decision 2014/145/CFSP and Regulation 269/2014 entered into force on the date of publication in the Official Journal, while Decision 2014/512/CFSP and Regulation 833/2014 entered into force on the day following publication. These details matter because they show how the architecture is designed for legal immediacy once political agreement is secured. They also confirm that the regulatory architecture was built from the outset as a paired-source model rather than as a single-instrument response^{3,4,5,6}.

The architecture has since developed not by replacing those instruments, but by repeatedly amending, expanding, and consolidating them. The current EUR-Lex entries indicate that the consolidated version of Regulation 833/2014 is dated 16 January 2026, while the consolidated version of Regulation 269/2014 is dated 15 December 2025. This confirms that the core legal acts remain in force while being continuously recalibrated. At the same time, EUR-Lex also stresses that consolidated texts are documentation tools with no legal effect and that the authentic versions are those published in the Official Journal. That distinction is methodologically important for the present report. It means that consolidated texts are indispensable for analytical reconstruction of the current regime, but the formal source of law remains the original act as amended through authentic OJ publications. In practical terms, the regulatory architecture is therefore cumulative and layered. In evidentiary terms, it requires careful distinction between the convenience of consolidation and the formal authority of the authentic published instruments^{7,8,9,10}.

The Russia sanctions architecture must also be understood as broader than those two principal tracks alone. The Council's Russia sanctions page states that the EU has progressively imposed restrictive measures in response not only to the illegal annexation of Crimea in 2014 and the full-scale invasion in

¹ European Union. (2016). *Consolidated version of the Treaty on the Functioning of the European Union*, Article 215.

² European Union. (2024). *General framework for EU sanctions*.

³ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁴ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁵ Council of the European Union. (2014). *Council Decision 2014/145/CFSP of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁶ Council of the European Union. (2014). *Council Decision 2014/512/CFSP of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁷ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁸ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁹ European Union. (2025). *Consolidated text: Council Regulation (EU) No 269/2014*.

¹⁰ European Union. (2026). *Consolidated text: Council Regulation (EU) No 833/2014*.

2022, but also to the illegal annexation of the Donetsk, Luhansk, Zaporizhzhia, and Kherson regions. The same page notes that the EU has also adopted sanctions against Russia in response to human-rights abuses and to Russia's hybrid threats and campaigns against the EU and its Member States. The Council's timeline further shows that even after the nineteenth package of sanctions of 23 October 2025, the Union continued in 2025–2026 to renew sectoral economic measures, renew Crimea-related restrictions, and adopt additional sanctions under hybrid-threats and human-rights tracks. This is a critical architectural point. The Russian sanctions field is not one single regime in the narrow doctrinal sense, but a family of interrelated regimes with different legal hooks, temporal rhythms, and target logics. Yet they are publicly and politically integrated into a single Russia sanctions ecosystem^{1,2}.

A central part of this architecture is the role of annexes, because sanctions law is operational only to the extent that it can specify targets, controlled goods, restricted services, and competent authorities. Regulation 269/2014 and Decision 2014/145/CFSP illustrate this clearly. Their annexes include the names of listed persons and entities, identifying information, reasons for listing, and dates of listing. Regulation 833/2014 likewise contains annex-based structures for institutions, goods and technologies, and other legally relevant categories. This annex technique is not secondary drafting detail. It is one of the main ways in which EU sanctions law balances stability and flexibility: the framework articles remain relatively durable while operational content can be altered through amendments to annexes. In practice, this makes the regime far more adaptable than a single rigid text would be. In analytical terms, annexes are where much of the sanctions' regime becomes concrete, auditable, and enforceable^{3,4,5}.

This logic closely matches the methodological discipline already developed in the earlier parts of the present report. As noted in Part Two, the correct reconstruction of sanctions measures requires distinguishing at least three levels of normative fixation: the basic regime, the package political-legal level, and the operational implementation level represented by implementing acts that directly update annexes and lists. That observation, made there in relation to listings, has broader value for the legal sphere as a whole. In the Russian case, legal authority is not exhausted by the title of a package or the date of a political announcement. One must distinguish the foundational act, the amending act, and the specific implementing act that alters annexes or applies the legal criteria to particular persons, entities, or categories. Without that distinction, analysis risks conflating political signalling with legal entry into force. The regulatory architecture is therefore not only multi-layered in substance. It is also multi-layered in documentary form. This is one reason why sanctions law can appear opaque to non-specialists while remaining internally systematic⁶.

Another key component of the architecture is the system of competent authorities, authorisations, derogations, notifications, and liability rules. Regulation 833/2014 requires Member States to designate competent authorities, notify the Commission of those authorities, and identify them on the websites listed in Annex I. It also obliges Member States and the Commission to share relevant information, including in respect of authorisations, enforcement problems, and judgments handed down by national courts. Regulation 269/2014 contains a comparable system, requiring Member States to designate competent authorities and notify the Commission of the relevant contact details. These provisions are important because they show that sanctions are not designed as self-executing black-letter prohibitions. They are designed as administrable regimes, in which case-by-case authorisation, communication, and supervision are integral to legal operability. The presence of liability shields for

¹ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

² Council of the European Union. (2026). *Timeline – EU sanctions against Russia*.

³ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁴ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁵ Council of the European Union. (2014). *Council Decision 2014/145/CFSP of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁶ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

operators acting without knowledge or reasonable cause to suspect infringement further confirms that the architecture tries to organise lawful compliance, not simply threaten punishment^{1,2}.

To clarify the institutional logic of these source layers, Table 5.1.2-1 summarises the principal components of the legal authority structure relevant to the Russian sanctions' regime.

Table 5.1.2-1. Principal source layers of the EU sanctions regime against Russia

Source layer	Main legal basis / instrument type	Main institutional actor(s)	Core function within the regime
Treaty foundation	Article 29 TEU; Article 215 TFEU	Council; High Representative; Commission	Establishes constitutional authority for CFSP decisions and implementing restrictive measures
Strategic CFSP layer	Council Decisions under Article 29 TEU	Council acting within CFSP framework	Defines the Union position, target situation, and general restrictive approach
Binding regulatory layer	Council Regulations under Article 215 TFEU	Council on joint proposal from High Representative and Commission	Converts political decisions into binding economic, financial, and person-based obligations
Operational implementation layer	Amending and implementing acts; annex updates	Council; Member States; competent authorities	Updates lists, categories, prohibitions, derogations, and operative legal content
Administrative governance layer	Authorisations, derogations, notifications, competent authority systems	National competent authorities; Commission	Makes sanctions administrable through licences, exceptions, information-sharing, and oversight
Interpretative layer	Commission FAQs, guidance notes, compliance publications	European Commission	Clarifies scope, reduces uncertainty, and supports more convergent application
Enforcement layer	National penalty rules; Directive (EU) 2024/1226	Member States; EU legislator; Commission	Hardens the regime through harmonised offence definitions and more structured criminal enforcement
Judicial safeguard layer	Article 215(3) TFEU; EU and national judicial review	CJEU, General Court, national courts	Preserves legality, proportionality, effective remedy, and defensibility of the regime

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Treaty texts on Article 29 TEU and Article 215 TFEU.
- Consilium explanation of the sanctions' adoption procedure.
- Regulations 269/2014 and 833/2014.
- Directive (EU) 2024/1226.
- Commission guidance materials.

A distinct but indispensable layer of the architecture is Commission interpretation and guidance. The EUR-Lex glossary page states that the Commission is responsible for monitoring whether regulations imposing restrictive measures under Article 215 TFEU are implemented and enforced by Member States, and that it supports individuals, businesses, humanitarian operators, and Member States by publishing guidance notes and answering interpretative questions raised by national competent authorities. The Commission's Russia sanctions portal and topic-specific publications show that this guidance layer

¹ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

² Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.*

remains active and regularly updated, including the Article 5n services guidance updated on 22 January 2026. This interpretative activity is not a substitute for law, but it is a major source of operational legibility. It reduces uncertainty in areas where sanctions drafting must remain general enough to cover varied fact patterns while still being specific enough to guide conduct. In a regime as dense as the Russian one, that function is indispensable. Without the guidance layer, formal law would remain valid but practical compliance would become more fragmented, slower, and more litigation-prone^{1,2}.

The scope provisions of the core regulations show that the architecture also rests on a broad theory of jurisdictional attachment. Regulation 833/2014 applies within the territory of the Union, on board aircraft and vessels under Member State jurisdiction, to nationals of Member States wherever located, to legal persons incorporated under Member State law, and to business done in whole or in part within the Union. Regulation 269/2014 contains a parallel territorial and personal scope. The Council's sanctions procedure page confirms this broader proposition in general terms, stating that EU sanctions apply within the jurisdiction of the EU and bind EU nationals in any location, companies incorporated under Member State law, persons on board aircraft or vessels under Member State jurisdiction, and any person or entity within the EU. This architecture matters because it ensures that sanctions are not merely border measures. They are legal obligations attached to territorial nexus, nationality, corporate status, and Union-linked business activity. In effect, the sanctions' regime is projected through legal connection rather than through physical frontier alone^{3,4,5}.

The enforcement architecture has also become more elaborate and centralised over time. Regulation 833/2014 already required Member States to lay down rules on penalties for infringements and to ensure that those penalties are effective, proportionate, and dissuasive. However, the architecture moved to a new level when the EU first identified the violation of Union restrictive measures as an area of crime meeting the Article 83(1) TFEU criteria and then adopted Directive (EU) 2024/1226. That directive establishes minimum rules concerning criminal offences and penalties for the violation of Union restrictive measures, including circumvention conduct, failures to freeze assets, prohibited provision of services, concealment of ownership, and breaches of reporting or authorisation conditions. It also requires the transmission of statistical data by Member States so that the Commission can assess and report on enforcement outcomes. This development is architecturally significant because it adds a more harmonised criminal-law layer to what had previously been a more decentralised enforcement field. The sanctions regime is thereby transformed from a primarily compliance-led system into a system that combines compliance, administrative control, and criminal enforcement^{6,7}.

That hardening of enforcement does not eliminate the importance of judicial safeguards; on the contrary, it makes them more central. Article 215(3) TFEU expressly requires that acts adopted under that provision contain the necessary provisions on legal safeguards. The Rosneft judgment is particularly relevant here because it confirms, in the Russia sanctions context itself, that restrictive measures against natural or legal persons remain subject to judicial control and that Article 215 TFEU functions as the bridge allowing the Council to give effect to restrictive measures through legislation ensuring their uniform application in Member States. The case also indicates that the existence of penalties at Member State level does not by itself invalidate the regime for lack of legal certainty, provided the relevant norms are sufficiently clear and can be judicially interpreted. This is a decisive architectural point. EU sanctions law is not designed as a realm of unreviewable emergency discretion. It is designed as a coercive but

¹ European Union. (2024). *Restrictive measures (sanctions)* — EUR-Lex glossary.

² European Commission. (2026). *Provision of services: FAQs on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014*.

³ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁴ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁵ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

⁶ European Parliament and Council of the European Union. (2024). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁷ European Union. (2024). *General framework for EU sanctions*.

reviewable structure in which legal certainty, reasons, proportionality, and effective judicial protection remain constitutive constraints. That is one of the main reasons the regime has been able to expand while retaining legal credibility^{1,2}.

When the different layers are viewed together, the architecture reveals both its strength and its structural tensions. Its strength lies in the fact that it is not dependent on a single legal instrument, institution, or enforcement channel. Treaty authority, CFSP decisions, regulations, annexes, implementing acts, Commission guidance, national competent authorities, criminal-law reinforcement, and judicial review all contribute to a system capable of adaptation over time. Its tensions arise from the same complexity. The more layers the regime contains, the greater the risk of interpretative divergence, administrative delay, over-compliance by private actors, and confusion between political announcements and formal legal effect. Yet these are not signs that the architecture is defective as such. They are the normal frictions of a sanctions regime that seeks simultaneously to be strategic, lawful, adaptable, and enforceable across a multi-level polity. For analytical purposes, the main implication is that the effectiveness of legal sanctions cannot be measured by reference to the text of a package alone. It must be assessed across the whole authority chain^{3,4,5}.

The overall conclusion of this subsection is therefore straightforward. The sources of legal authority for EU sanctions against Russia are not exhausted by the headline regulations most often cited in public debate. They comprise a layered legal architecture beginning with treaty authority, moving through CFSP decisions and Article 215 regulations, and extending into annex-based implementation, administrative governance, interpretative maintenance, enforcement harmonisation, and judicial control. This structure explains both the durability and the increasing density of the sanctions' regime since 2014 and especially since 2022. It also explains why the Russia sanctions system has remained capable of cumulative expansion without requiring wholesale replacement of its foundational acts. The architecture is thus best understood as a legal infrastructure of managed coercion. In the next subsection, this structural understanding becomes essential, because once the legal authority chain is clear, one can more precisely analyse the core legal mechanisms of restriction through which the regime produces concrete effects^{6,7}.

5.1.3. Core Legal Mechanisms of Restriction

If 5.1.2 clarified the sources of legal authority and the regulatory architecture of the EU sanctions regime, the present subsection must identify the concrete legal mechanisms through which that regime produces restrictive effects. This distinction is essential. A sanctions regime may be constitutionally well-founded and institutionally coherent, yet still remain analytically under-described unless one explains the operative legal techniques that transform political intent into legally structured constraints. In the Russia case, those techniques are numerous and cumulative. They range from the immobilisation of funds and economic resources to sectoral prohibitions on trade, technology, services, and financing; from transaction bans and access restrictions to anti-circumvention duties, contractual “no-Russia” clauses, reporting obligations, liability shields, and no-claims rules. The practical force of EU sanctions lies not in any single prohibition, but in the interaction of these mechanisms. The legal sphere is therefore not merely a place where measures are announced; it is the domain in which a differentiated toolkit of restrictive techniques is assembled and continuously recalibrated. For analytical purposes, this toolkit

¹ European Union. (2016). *Consolidated version of the Treaty on the Functioning of the European Union, Article 215*.

² Court of Justice of the European Union. (2017). *PJSC Rosneft Oil Company v Her Majesty's Treasury and Others (Case C-72/15)*.

³ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

⁴ European Commission. (2026). *Provision of services: FAQs on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014*.

⁵ European Parliament and Council of the European Union. (2024). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁶ European Union. (2024). *General framework for EU sanctions*.

⁷ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

can be understood as a system of immobilisation, denial, controlled exception, and enforceability management^{1,2}.

The first and most classical mechanism is listing-linked immobilisation, commonly referred to as the freezing of funds and economic resources. Under Regulation 269/2014, all funds and economic resources belonging to, owned, held, or controlled by listed persons or entities are to be frozen, and no funds or economic resources may be made available, directly or indirectly, to or for their benefit. This mechanism is legally significant because it does not formally confiscate property, but suspends the practical ability to use it within the jurisdictional reach of Union law. The target is therefore not only deprived of immediate access to liquid resources, but also cut off from the wider legal and financial channels through which those resources could normally be mobilised. In doctrinal terms, immobilisation is a preventive technique. In operational terms, however, it functions as a powerful instrument of incapacitation, because it interrupts financial agency without requiring ordinary criminal forfeiture proceedings. The mechanism is further strengthened by its extension to indirect availability, which prevents easy circumvention through nominees, intermediaries, or controlled entities^{3,4}.

The importance of this mechanism lies not only in what is frozen, but in how legal categories are framed. The sanctions regime distinguishes between funds and economic resources, thereby widening the restrictive perimeter well beyond bank balances or cash-equivalent assets. This broader formulation is essential because a narrow focus on liquid financial holdings would leave open alternative channels of value extraction, leverage, or monetisation. By using the more expansive category of economic resources, the EU sanctions framework captures assets that can be used to obtain funds, goods, or services even if they are not immediately liquid. The mechanism therefore operates through functional legal drafting: what matters is not merely the formal asset class, but whether the resource can support continued economic action by the listed actor. This technique also explains why asset freezes often extend deep into corporate and contractual structures. Once the concept is framed functionally, sanctions law becomes capable of constraining the economic utility of assets rather than only their nominal ownership status^{5,6}.

A second key mechanism is the prohibition on making funds or economic resources available, directly or indirectly, to listed actors. This is analytically distinct from freezing. Freezing immobilises what the listed person already has within reach of the law; the non-availability rule blocks the inflow of new value. The combination of the two mechanisms is what gives listing-based sanctions much of their legal power. If the EU had only frozen existing assets, sanctioned actors might still be able to sustain operations through newly arranged payments, indirect support, structured financing, or third-party provisioning. The non-availability rule closes that route by criminalising or otherwise prohibiting the continuing replenishment of economic capacity. Because it also covers indirect benefit, it compels operators to evaluate the functional beneficiary of a transaction, not merely its nominal recipient. In this sense, sanctions law works through a doctrine of substantive benefit rather than through formalistic transaction labels alone^{7,8}.

The third major mechanism is sectoral denial through trade and technology controls under Regulation 833/2014. Unlike listing-based sanctions, which are centred on designated actors, sectoral restrictions are centred on legally defined categories of goods, technologies, activities, or recipients. The Regulation

¹ European Union. (2026). *EU restrictive measures in view of Russia's invasion of Ukraine*.

² European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

³ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁴ European Union. (2026). *General framework and glossary materials on restrictive measures (sanctions)*.

⁵ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁶ European Union. (2026). *General framework and glossary materials on restrictive measures (sanctions)*.

⁷ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁸ European Union. (2026). *General framework and glossary materials on restrictive measures (sanctions)*.

prohibits, across different provisions, the sale, supply, transfer or export of dual-use items, goods capable of contributing to Russia's military and technological enhancement, and goods which could contribute to the enhancement of Russian industrial capacities. It also extends the prohibition to related technical assistance, brokering services, financing, and financial assistance. The legal logic here is especially important. The EU does not merely ban the physical shipment of a product. It constructs a wider legal envelope around the prohibited good or technology by restricting the ancillary services that make export, deployment, maintenance, or integration possible. This transforms sectoral sanctions from customs measures into broader legal disconnection tools^{1,2}.

That broader envelope reveals a general characteristic of EU sanctions law: many restrictive mechanisms are built as compound prohibitions. A good or technology may be prohibited, but so too are the related services, financial support, brokering functions, software elements, and sometimes intellectual-property transfers that would make the good commercially or operationally usable. This compound design is especially visible in later amendments to the Russia regime. For instance, the Regulation evolved beyond traditional export-control logic by also prohibiting the sale, licensing, or transfer of certain intellectual-property rights or trade secrets, as well as rights to access or re-use protected information, when these are linked to controlled goods or technology. This is a significant legal development. It shows that the EU increasingly treats knowledge, software, industrial know-how, and protected intangible rights as sanction-relevant vectors of capability transfer. The mechanism of restriction is therefore no longer confined to material goods; it increasingly encompasses intangible enabling assets^{3,4}.

A fourth mechanism is service denial, which has become one of the most legally distinctive features of the post-2022 sanctions regime. Article 5n and related provisions prohibit the direct or indirect provision of a widening range of business-relevant services to the Russian government and to legal persons, entities, or bodies established in Russia. According to the Commission's services FAQ as updated on 22 January 2026, these prohibited services include, inter alia, accounting, auditing, bookkeeping, tax consulting, business and management consulting, public relations, IT consultancy, software-related services, engineering, architectural, legal advisory, and advertising services, depending on the provision concerned. This mechanism is striking because it targets the organisational and professional infrastructure of economic life rather than only trade in goods. It attempts to degrade strategic functionality by denying access to expertise, systems maintenance, planning, compliance support, representation structures, and business optimisation services. In legal terms, service sanctions are a high-resolution form of disconnection. They allow the Union to target operational capability without necessarily banning all underlying commercial relationships outright^{5,6}.

The design of service restrictions is particularly important because it shows how EU sanctions law handles direct and indirect provision. The Commission guidance makes clear that an EU entity, including an EU subsidiary of a Russian company, may not provide restricted services to a Russian parent or other Russian-established entity, even indirectly, and that the test is not exhausted by formal place of incorporation. At the same time, the FAQ notes that service provision to an EU-established company is not prohibited as such if the company is not established in Russia, provided the service is not actually for the benefit of a Russian-established entity and the arrangement is not used to circumvent sanctions. This demonstrates a recurring legal mechanism within the regime: the law distinguishes between formal

¹ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

² Council of the European Union. (2022). *Council Regulation (EU) 2022/328 of 25 February 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

³ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁴ Council of the European Union. (2023). *Council Regulation (EU) 2023/1214 of 23 June 2023 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁵ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

⁶ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

legal personhood and substantive economic benefit, and then overlays that distinction with anti-circumvention scrutiny. The practical consequence is that operators must assess corporate structure, place of establishment, control relationships, and benefit flows together. This mechanism is deliberately functional. It is designed to prevent the sanctions perimeter from being neutralised through corporate layering and trans-jurisdictional service routing^{1,2}.

A fifth mechanism is the transaction ban, especially where specific Russian state-owned or strategically relevant entities are concerned. Article 5aa of Regulation 833/2014 and related amendments illustrate this technique. Rather than freezing all assets of the targeted bodies in the classical listing sense, the law prohibits direct or indirect engagement in transactions with listed legal persons, entities, or bodies, as well as with those owned, controlled, or directed by them under the provision's logic. This mechanism is analytically important because it operates somewhere between listing-based immobilisation and general sectoral prohibition. It does not simply freeze pre-existing assets, nor does it only target a class of goods or services. Instead, it prohibits commercial dealing as such with a category of designated institutional actors. In practice, transaction bans can be highly disruptive because they reach across financing, procurement, contracting, and operational cooperation. They thus function as a legal technique of institutional disaffiliation^{3,4}.

A related mechanism is infrastructural exclusion, which seeks to remove Russian or Russia-linked actors from the legal and institutional systems through which modern cross-border economic activity is organised. This logic appears in various parts of the Russia regime, including restrictions involving financial market access, central securities depositories, specific banking relations, transport infrastructure, and other operational platforms. The legal point is that sanctions do not only forbid transactions at the moment of exchange. They also disable the infrastructures that make such transactions routine, scalable, and secure. The effect of this mechanism is often indirect but profound. By degrading access to payment systems, market venues, logistical routes, or depository services, the law makes otherwise lawful or residual activity more difficult, costly, and uncertain. This is a form of structural restriction rather than simple event-level prohibition. In long-term sanctions policy, infrastructural exclusion is especially powerful because it compounds over time and increases the frictional cost of adaptation^{5,6}.

Another increasingly important technique is import-side revenue denial. EU sanctions against Russia do not only block exports to the target; they also restrict imports, purchases, or transfers of goods that generate significant revenues for Russia. This mechanism is legally distinct from capability denial. Rather than focusing on what Russia can acquire, it focuses on what Russia can monetise through continued trade. The distinction matters because sanctions aimed at degrading military or industrial capacity are not identical to sanctions aimed at reducing state and quasi-state revenue streams. Import prohibitions on selected categories of Russian-origin goods therefore function as an instrument of fiscal and commercial constriction. They also help explain why the legal sanctions regime has become increasingly integrated across trade, energy, shipping, and customs practice. In legal terms, the mechanism expands the regime from export control into revenue-interdiction governance^{7,8}.

¹ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

² European Commission. (2026). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁴ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁵ Ibid.

⁶ European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁷ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁸ Council of the European Union. (2025). *Council Regulation (EU) 2025/2033 of 10 October 2025 amending Regulation (EU) No 833/2014 concerning additional export, import, and transaction restrictions*.

A seventh mechanism is controlled exception through derogations, exemptions, and authorisations. At first sight, exceptions may look like softening devices rather than restrictive techniques, but analytically they are part of the mechanism of restriction itself. A sanctions regime that offered no lawful pathways for basic needs, legal defence, pre-existing contractual claims of a narrow kind, maintenance charges, or humanitarian considerations would quickly become overbroad, legally brittle, and politically harder to sustain. Regulation 269/2014 therefore permits competent authorities, under defined conditions, to authorise releases of frozen funds for basic needs, payment of reasonable professional fees and reimbursement of legal-service expenses, routine holding or maintenance charges, and extraordinary expenses subject to additional notification discipline. This shows that the regime works not by absolute prohibition but by conditional legality under administrative control. The legal restriction lies in the fact that what would ordinarily be private economic choice is converted into a matter requiring authorisation, justification, and institutional oversight^{1,2}.

The same controlled-exception logic is visible in the services field. The Commission's Article 5n FAQ explains that certain legal services may remain possible where they are strictly necessary for the exercise of the right of defence in judicial proceedings and the right to an effective legal remedy, and that a specific exemption applies where services are strictly necessary to ensure access to judicial, administrative, or arbitral proceedings in a Member State, or for the recognition or enforcement of a judgment or arbitration award rendered in a Member State. This is highly significant for legal analysis. It means that even as the EU restricts legal advisory services to Russian governmental or Russia-established actors, it does not fully extinguish the legal pathways necessary to preserve access to justice in defined Union-related contexts. The mechanism at work is therefore selective procedural preservation within a wider environment of service denial. In effect, the regime differentiates between ordinary legal-commercial support, which may be restricted, and minimum procedural safeguards, which must remain available. This bounded carve-out structure is one of the reasons the sanctions regime can claim legal robustness^{3,4}.

An eighth mechanism consists in anti-circumvention clauses, which preserve the effectiveness of primary prohibitions by targeting behaviour whose object or effect is to bypass them. This mechanism is now central to the Russia regime. The Regulation prohibits participation, knowingly and intentionally, in activities the object or effect of which is to circumvent prohibitions. Commission guidance further emphasises that EU operators are expected to maintain due-diligence measures across all relevant activities and calibrate them to their specific exposure and business model. In other words, the legal regime no longer relies solely on a static list of forbidden acts. It increasingly governs the risk space around those acts by requiring operators to monitor how prohibited outcomes might be achieved indirectly. This transforms sanctions law into a more dynamic system of functional prevention. The legal target becomes not only the prohibited transaction itself, but also the arrangement, routing, or organisational design that would undermine the regulation's purpose^{5,6}.

A particularly innovative expression of anti-circumvention logic is the contractual "no-Russia" clause mechanism under Article 12g. As the 2024 amending act explains, Union operators are required to contractually prohibit the re-exportation to Russia, or re-exportation for use in Russia, of certain sensitive goods and technology, certain common high priority items, and specified firearms and ammunition when dealing with non-EU counterparts. This is an important development in sanctions

¹ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

² European Commission. (2026). *Frequently asked questions on asset freezes, reporting obligations, and competent authority practice*.

³ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

⁴ Court of Justice of the European Union. (2017). *PJSC Rosneft Oil Company v Her Majesty's Treasury and Others (Case C-72/15)*.

⁵ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁶ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

technique. The law is no longer content merely to prohibit direct exports from the Union. It now requires operators to embed sanctions objectives into their own contractual chains, thereby projecting the regime outward into private transnational risk management. The mechanism is both public and private at once: the EU imposes a legal duty to create contractual controls that reduce onward diversion. In doing so, it turns contract drafting into an instrument of geopolitical compliance^{1,2}.

The anti-circumvention architecture also increasingly relies on enhanced due diligence. The Commission's guidance for EU operators makes clear that due diligence should be adapted to the operator's activities and risk exposure and that the guidance, although initially export-focused, is relevant to all sanctions-relevant activities. This is not a trivial compliance recommendation. It is a mechanism by which the sanctions regime pushes investigative responsibility outward from public authorities to private actors. Due diligence becomes part of the law's operational structure because the distinction between lawful and unlawful conduct increasingly depends on what the operator knew, should have known, or had reason to suspect. That, in turn, shapes standards of care, internal governance, customer screening, end-use verification, and escalation procedures. The legal mechanism is therefore partly epistemic: it governs not only conduct, but the diligence with which that conduct must be assessed^{3,4}.

A ninth mechanism is reporting and information-sharing, which is often underappreciated in public discussions of sanctions law. Asset-freeze guidance confirms that operators freezing assets of designated persons must report information on those frozen assets and, in certain circumstances, identify changes made to assets in the two weeks preceding designation. The regulations also require information exchange among Member States and the Commission concerning frozen funds, authorisations, enforcement problems, and judgments handed down by national courts. This mechanism matters because sanctions effectiveness depends not only on prohibition and punishment, but on informational visibility. Without structured reporting, authorities cannot map the real asset perimeter, detect pre-designation asset movements, identify implementation bottlenecks, or compare national practice. Reporting obligations therefore act as a legal mechanism of regime intelligence. They convert private knowledge into administrative visibility and thereby support enforcement, policy adjustment, and anti-circumvention action^{5,6}.

To summarise the interaction of these techniques, the core mechanisms of legal restriction in the EU's Russia sanctions regime can be mapped as follows.

Table 5.1.3-1. Core legal mechanisms of restriction in the EU sanctions regime against Russia

Mechanism	Main legal effect	Operational logic	Strategic function
Asset freeze / immobilisation	Freezes funds and economic resources of listed actors	Blocks use of existing value within EU jurisdiction	Incapacitates targeted persons and entities
Non-availability of funds / resources	Prohibits direct or indirect making available of value	Blocks new inflows, support, and replenishment	Prevents adaptive financial replenishment
Sectoral goods / technology prohibitions	Bans export, sale, supply, transfer, or import of listed categories	Restricts material and technological flows	Degrades military, industrial, and revenue capacity

¹ Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 as regards the contractual "no-Russia" clause and related anti-circumvention measures*.

² European Commission. (2024). *FAQs on the "no re-export to Russia" clause*.

³ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁴ European Commission. (2025). *Enhanced due diligence for operators manufacturing and/or trading with common high priority items*.

⁵ Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 as regards the contractual "no-Russia" clause and related anti-circumvention measures*.

⁶ European Commission. (2026). *Frequently asked questions on asset freezes, reporting obligations, and competent authority practice*.

Mechanism	Main legal effect	Operational logic	Strategic function
Ancillary-service restrictions	Bans technical assistance, brokering, financing, software, and related support	Targets enabling services around controlled items	Prevents lawful appearance of unlawful capability transfer
Service denial	Prohibits specific professional and business-relevant services	Restricts advisory, organisational, and technical functionality	Weakens operational capacity and external integration
Transaction bans	Prohibits dealings with designated entities or categories of entities	Blocks institutional commercial interaction	Produces strategic disaffiliation from sanctioned actors
Controlled derogations / authorisations	Allows narrow exceptions under administrative control	Converts residual lawful activity into licensed activity	Preserves proportionality and legal sustainability
Anti-circumvention / due diligence	Targets evasive structuring and requires risk-calibrated compliance	Governs indirect paths around the rules	Preserves real effectiveness of primary prohibitions
Contractual no-Russia clause	Requires operators to bind non-EU partners contractually	Extends control into downstream private chains	Limits third-country diversion and re-export risk
Reporting / information-sharing	Mandates disclosure to competent authorities and the Commission	Creates administrative visibility and traceability	Supports enforcement, detection, and recalibration
No-claims / liability shields	Blocks certain contractual claims and protects compliant actors	Reduces private-law pressure against compliance	Stabilises the regime in commercial litigation
Criminalised violation framework	Treats serious violations and circumvention as offences	Increases penalties and legal-person liability	Hardens deterrence and enforcement credibility

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- EUR-Lex texts of Regulations 269/2014 and 833/2014.
- Commission FAQs and guidance on services, asset freezes, circumvention, and due diligence.
- Directive (EU) 2024/1226. (Council of the European Union, 2014a, 2014b; European Commission, 2026a, 2026d; European Parliament and Council of the European Union, 2024).

A tenth mechanism is the pair of liability shields and no-claims rules, which are crucial to the internal coherence of sanctions law. Regulation 833/2014 provides that actions by persons or entities shall not give rise to liability if they did not know, and had no reasonable cause to suspect, that their conduct would infringe the sanctions measures. It also states that no claims connected with contracts or transactions whose performance has been affected by the sanctions shall be satisfied if made by specified Russian or Russia-linked claimants. This is a highly consequential legal mechanism. Sanctions would be far harder to enforce if compliant operators remained broadly exposed to damages claims, guarantee claims, indemnity actions, or analogous forms of private-law retaliation from sanctioned counterparties. The no-claims mechanism therefore protects the sanctions regime from being undermined through ordinary contractual litigation. It converts sanctions compliance from a commercially hazardous choice into a legally defensible one^{1,2}.

That feature points to a deeper property of the legal sanctions' regime: it governs not only public-law prohibitions but also the private-law consequences of non-performance. This is particularly important in complex cross-border business relations, where the most immediate pressure on compliance may arise not from regulators but from contractual counterparties invoking warranties, performance bonds, or damages clauses. By foreclosing satisfaction of specified claims, the EU reduces the capacity of sanctioned actors to weaponise private-law remedies against sanctions implementation. This

¹ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

² Court of Justice of the European Union. (2020). *Bank Refah Kargaran v Council (Case C-134/19 P).*

mechanism is therefore defensive as well as restrictive. It protects the normative integrity of the sanctions' regime within civil and commercial dispute settings. In effect, it ensures that the legal force of sanctions is not silently neutralised by downstream litigation over frustrated contractual expectations. The law thus manages enforceability on both the public and private sides of the compliance equation^{1,2}.

An eleventh, increasingly visible mechanism is defensive non-recognition and non-enforcement in response to Russian anti-suit injunction practice under Article 248 of the Russian Arbitration Procedure Code. The 2024 EU act explains that Russian courts had issued anti-suit injunctions and disproportionate financial penalties aimed at preventing European companies from pursuing proceedings in foreign courts or tribunals. In response, the Union introduced a prohibition on the recognition or enforcement in Member States of injunctions, orders, judgments, or other court decisions pursuant to or derived from Article 248 or equivalent Russian legislation, as well as certain associated criminal-proceedings assistance or punishment. This mechanism is particularly important for Part Five because it shows the sanctions regime entering more deeply into the field of private international law and transnational dispute control. The legal objective is not merely to restrict economic flows, but to shield the Union legal space from coercive extraterritorial or anti-procedural effects generated by Russian judicial measures. The mechanism is therefore a form of jurisdictional defence through sanctions law^{3,4}.

A twelfth mechanism is the criminalisation of serious violations and circumvention, now reinforced at EU level by Directive (EU) 2024/1226. The directive sets minimum EU-wide rules on criminal offences and penalties for the violation and circumvention of Union restrictive measures, requires effective, dissuasive, and proportionate penalties for natural persons, and provides for liability of legal persons. This is a major development in legal technique. Earlier phases of the sanctions regime relied much more heavily on national penalty systems and variable enforcement cultures. The directive does not erase national implementation, but it narrows the space for radical divergence by supplying a common baseline. As a mechanism of restriction, criminalisation performs two functions at once. It deters deliberate breach and circumvention, and it signals that sanctions' law is no longer peripheral compliance regulation but part of the Union's more serious enforcement architecture^{5,6}.

The existence of criminalisation also changes how the earlier mechanisms should be understood. Asset freezes, service bans, anti-circumvention clauses, reporting duties, and no-Russia clauses are not merely compliance expectations backed by reputational risk. They increasingly operate within an environment in which intentional or serious breach may trigger criminal liability, including for legal persons. This changes internal governance incentives for firms, financial institutions, and professional-service providers. Compliance is no longer just a matter of avoiding administrative trouble or market embarrassment; it becomes a matter of avoiding exposure to a more structured punitive framework. In institutional terms, the regime thus moves from a primarily preventive architecture to a preventive-plus-penal architecture. That development strengthens deterrence, but it also raises the stakes of legal certainty, drafting quality, and guidance clarity^{7,8}.

¹ Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

² Council of the European Union. (2022). *Council Regulation (EU) 2022/328 of 25 February 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

³ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁴ Council of the European Union. (2024). *Council Decision (CFSP) 2024/3187 of 16 December 2024 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁵ European Parliament and Council of the European Union. (2024). *Directive (EU) 2024/1226 of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁶ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

⁷ European Parliament and Council of the European Union. (2024). *Directive (EU) 2024/1226 of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁸ European Commission. (2026). *Consolidated FAQs on the implementation of Council Regulation No 833/2014 and Council Regulation No 269/2014*.

Taken together, the core legal mechanisms of restriction in the Russia sanctions regime reveal a mature and highly differentiated legal toolkit. The regime acts by freezing and isolating, but also by denying goods, services, finance, legal effect, contractual comfort, procedural leverage, and opportunities for circumvention. Its effectiveness does not rest on maximal severity in every individual provision. Rather, it rests on the cumulative interaction of multiple mechanisms that reinforce one another across public law, private law, trade regulation, administrative governance, and enforcement. This is why the legal sphere is central to the overall sanctions' architecture of the EU. It is where geopolitical pressure is translated into a structured environment of controlled illegality, permitted exception, and monitored compliance. That understanding is also methodologically important for the next subsection: once the main mechanisms have been identified, the analysis can turn more precisely to the legal limits, derogations, and forms of judicial review that determine whether those mechanisms remain sustainable in practice^{1,2,3}.

5.1.4. Legal Limits, Derogations, and Judicial Review

A mature sanctions regime cannot be assessed only by the breadth of its prohibitions. It must also be evaluated through the legal limits that discipline those prohibitions, the derogations that prevent them from becoming normatively overbroad, and the judicial mechanisms that keep the regime within the Union's constitutional order. In the EU context, these three dimensions are inseparable. Restrictive measures are designed to exert pressure, but they are not intended to suspend the rule of law or create an unchecked field of executive discretion. This is especially important in the Russian case, where sanctions have become denser, more technical, and more durable over time. The more extensive the regime becomes, the more necessary it is to identify the legal boundaries within which it may operate. A long-term sanctions framework that lacked such boundaries would become politically vulnerable, legally brittle, and increasingly difficult to defend before courts and regulated actors alike. For that reason, the present subsection treats legal limits, derogations, and judicial review not as secondary safeguards appended to the regime, but as internal conditions of its durability^{4,5}.

The first of those limits is constitutional in nature. Article 215 TFEU does not merely empower the Council to adopt restrictive measures against natural or legal persons and non-state entities; it also states expressly that such acts "shall include necessary provisions on legal safeguards". That formulation is crucial because it demonstrates that legal protection is embedded in the very legal basis of EU sanctions. The architecture of restrictive measures is therefore not one in which coercive content appears first and safeguards are added later out of prudence or political convenience. Rather, the Treaty itself anticipates that measures interfering with rights and lawful expectations must be structured in a way that preserves legal guarantees. The General Court has confirmed this logic by stating that a measure adopted under Article 215(2) TFEU is valid only on condition that it contains safeguards for the respect of the fundamental rights of the persons concerned. In other words, sanctions are not constitutionally exceptional spaces lying beyond ordinary legal discipline. They are coercive measures whose legality depends, from the outset, on the inclusion of safeguards^{6,7}.

A second foundational limit concerns the legal nature of sanctions themselves. EU case-law and official guidance consistently distinguish restrictive measures from criminal punishment in the classical sense. The Bank Melli line of case-law summarised by EUR-Lex states that fund-freezing measures are not

¹ European Union. (2026). *EU restrictive measures in view of Russia's invasion of Ukraine*.

² European Parliament and Council of the European Union. (2024). *Directive (EU) 2024/1226 of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

³ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

⁴ European Union. (2012). *Consolidated version of the Treaty on the Functioning of the European Union, Article 215*.

⁵ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁶ European Union. (2012). *Consolidated version of the Treaty on the Functioning of the European Union, Article 215*.

⁷ General Court of the European Union, 2014

criminal in character. The Commission’s asset-freeze FAQ similarly notes that sanctions in general, and asset freezes in particular, do not entail expropriation and are of a temporary nature. This distinction is far from merely terminological. It shapes how proportionality, review intensity, and derogation design are to be understood. Because sanctions are preventive rather than punitive in doctrine, they must be justified by their regulatory purpose and calibrated to that purpose. They may impose severe constraints, but they do not authorise the Union to disregard the principles that govern limitations on rights within the EU legal order^{1,2}.

That said, the preventive nature of sanctions does not mean that EU institutions face a single, uniform standard of review across the whole regime. One of the most useful analytical distinctions made by the courts is the distinction between general rules and individual listing decisions. The Bank Melli summary explains that, with regard to the general rules defining the procedures for giving effect to restrictive measures, the Council enjoys broad discretion as to what to take into consideration when adopting economic and financial sanctions. In that field, judicial review is correspondingly limited to checking whether procedural rules and the duty to state reasons have been complied with, whether the facts are materially accurate, and whether there has been manifest error or misuse of powers. This is a structurally important limit on judicial substitution. The courts do not replace the Council’s political and strategic assessment with their own. They instead examine legality, rationality, and procedural discipline. Thus, in the field of general sanctions design, the legal limit lies not in eliminating political discretion, but in bounding it^{3,4}.

By contrast, when the courts review an individualised listing or maintenance decision, the intensity of judicial scrutiny becomes significantly stronger. The Kadi judgment remains the leading authority here. It states that the Courts of the European Union must ensure, in principle, the full review of the lawfulness of Union acts in the light of fundamental rights. Later Russia-related case-law has translated that principle into concrete review standards. In Case T-363/22, the General Court reiterated that judicial review cannot be restricted to an abstract assessment of the cogency of the reasons relied on by the Council, but must verify whether the factual allegations in the summary of reasons are substantiated, at least where one sufficient reason can independently support the decision. This is one of the most important legal limits in the sanctions field. It prevents the listing mechanism from becoming a purely political label and requires the Council to maintain evidentiary discipline^{5,6}.

A closely related limit is the obligation to state reasons. According to recent General Court case-law, the statement of reasons required by Article 296 TFEU must disclose in a clear and unequivocal fashion the reasoning followed by the institution so as to enable the person concerned to ascertain the reasons for the act and the court to exercise its power of review. The same case-law also makes clear that the statement of reasons must identify not only the legal basis for the measure but also the actual and specific reasons why the Council considers that such a measure has to be adopted in respect of the person concerned. This requirement is indispensable in sanctions cases because the addressee often experiences the restrictive measure as a severe and immediate disruption of legal and economic existence. Without an adequate statement of reasons, the right to challenge the measure would become largely theoretical. The duty to state reasons therefore acts as both a procedural and substantive

¹ Bank Melli Iran v Council & Council of the European Union. (2009). *Judgment of the Court of First Instance (Second Chamber)*, 14 October 2009 II – 3974.

² European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia’s military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

³ Bank Melli Iran v Council & Council of the European Union. (2009). *Judgment of the Court of First Instance (Second Chamber)*, 14 October 2009 II – 3974.

⁴ Court of Justice of the European Union. (2017, March 28). *PJSC Rosneft Oil Company v Her Majesty’s Treasury and Others (Case C-72/15)*. ECLI:EU:C:2017:236.

⁵ European Commission, Yassin Abdullah Kadi, et al. (2013). *EUR-Lex - 62010CJ0584 – EN: Judgment of the Court (Grand Chamber)*, 18 July 2013. Document 62010CJ0584.

⁶ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

boundary: it structures the Council's decision-making and enables external review of that decision-making^{1,2}.

The rights of the defence and the right to effective judicial protection form the next major cluster of limits. In *Kadi*, the Court made clear that these rights are fundamental rights within the Union legal order. It specified that the rights of the defence include the right to be heard and access to the file, subject to legitimate confidentiality interests, while effective judicial protection requires that the person concerned be able to ascertain the reasons on which the decision is based and decide, with full knowledge of the relevant facts, whether to bring proceedings. The Court also stressed that the competent Union authority must disclose the summary of reasons, enable the person effectively to make known observations, and examine carefully and impartially whether the reasons are well founded in the light of those observations and any exculpatory evidence. That formulation remains central to sanctions law today. It demonstrates that the legal limit is not exhausted by formal notification; it requires a meaningful opportunity to contest the measure³.

These general principles are reflected directly in the text of Regulation 269/2014. Recital 8 states that the procedure for amending the list in Annex I should include providing designated persons or entities with the grounds for listing so as to give them an opportunity to submit observations. Article 14 then operationalises that requirement by obliging the Council to communicate its decision, including the grounds for listing, either directly or through publication of a notice. The same article provides that, where observations are submitted or substantial new evidence is presented, the Council shall review its decision and inform the person or entity accordingly. Article 14(4) further requires the list to be reviewed at regular intervals and at least every twelve months. This is a highly significant legal design. It shows that the sanctions regime incorporates not only initial notification, but also reconsideration and periodic re-examination as ordinary parts of its operation⁴.

From an institutional standpoint, these review mechanisms are not symbolic. Recent General Court case-law confirms that Article 14(3) of Regulation 269/2014 has real procedural significance. In Case T-494/22, the Court expressly referred to Article 14(3) and noted that, where observations are submitted or substantial new evidence is presented, the Council must review its decision to include the person on the lists at issue. This indicates that reconsideration is not merely a discretionary courtesy extended by the Council. It is part of the legal architecture of the regime. For analytical purposes, that is highly important. It means that the sanctions system contains an internal correction mechanism before or alongside judicial challenge. Such a mechanism cannot eliminate litigation, but it can improve the legal sustainability of listings by requiring the Council to revisit them in light of new material^{5,6}.

The regime's derogation structure is the next key limit. It is tempting to view derogations as political concessions or practical exceptions, but legally they play a more fundamental role. They are one of the principal ways in which the EU ensures that restrictive measures remain targeted, proportionate, and operable in real legal and commercial life. In Regulation 269/2014, derogations do not abolish the asset freeze; they conditionally authorise departures from it under controlled circumstances and subject to competent-authority oversight. The significance of this design is that the law does not present sanctions as absolute interruption in all situations. Instead, it creates a system of managed exceptions through which basic needs, professional rights, judicial claims, and certain pre-existing obligations may still be addressed without dissolving the restrictive effect of the regime. Derogations are therefore not

¹ General Court of the European Union. (2026). *Feras Al Akhras v Council of the European Union (Case T-176/24)*.

² European Commission, Yassin Abdullah Kadi, et al. (2013). *EUR-Lex - 62010CJ0584 – EN: Judgment of the Court (Grand Chamber), 18 July 2013. Document 62010CJ0584*.

³ European Commission, Yassin Abdullah Kadi, et al. (2013). *EUR-Lex - 62010CJ0584 – EN: Judgment of the Court (Grand Chamber), 18 July 2013. Document 62010CJ0584*.

⁴ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁵ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

⁶ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

weaknesses in the legal architecture. They are mechanisms through which that architecture avoids self-defeating rigidity^{1,2}.

This becomes especially clear in Article 4 of Regulation 269/2014, which permits competent authorities to authorise the release of frozen funds or economic resources where they are necessary to satisfy basic needs, intended exclusively for reasonable professional fees or reimbursement of legal-service expenses, intended for routine holding or maintenance charges, or necessary for extraordinary expenses subject to notification conditions. The inclusion of basic needs such as food, rent, medicines, insurance, and utilities underscores that sanctions are not meant to destroy the minimum conditions of subsistence. Equally important is the explicit reference to legal-service costs. That provision confirms that even listed persons remain within a legal order that recognises representation, advice, and procedural defence as legitimate needs. The extraordinary-expenses clause also reveals an important feature of derogation design: sanctions law must remain capable of addressing unusual but legally relevant factual situations without abandoning the freeze as such. In practice, this transforms competent authorities into gatekeepers of proportionality³.

The derogation architecture extends beyond basic needs. Article 5 of Regulation 269/2014 allows the release of certain frozen funds or economic resources where they are subject to an arbitral decision rendered before listing, to a judicial or administrative decision rendered in the Union, or to a judicial decision enforceable in the Member State concerned, provided that the payment is used exclusively to satisfy claims recognised by such a decision, is not for the benefit of a listed person, and recognition is not contrary to public policy in the Member State concerned. This is a remarkable provision because it reflects the continuing relevance of adjudicated rights even in a sanctions' setting. The law does not simply erase prior legal relations. It subjects their enforcement to a sanctions filter. In doing so, it acknowledges that judicial and arbitral outcomes remain part of the legal landscape, but only insofar as their execution does not undermine the objectives of restrictive measures. Derogation here functions as a method of reconciling adjudicated claims with sanctions policy⁴.

Article 6 adds another layer by permitting the release of frozen funds where a payment by a listed person is due under a contract or agreement concluded, or an obligation that arose, before the date of listing, provided that the competent authority determines that the funds are to be used for a payment by the listed person and that the payment is not in breach of the prohibition on making funds or economic resources available. Read together with Article 7, which permits the crediting of frozen accounts and certain pre-listing payments so long as the additions remain frozen, the structure shows that the law does not pretend that listing instantaneously dissolves all pre-existing legal obligations. Rather, it reclassifies them into a controlled environment. The sanctions regime thus limits the direct economic freedom of the listed person, but it does not wholly deny the legal existence of prior contracts, debts, or adjudicated entitlements. In long-term sanctions practice, that is a crucial distinction. It reduces unnecessary legal chaos while still preserving the immobilising effect of the measure^{5,6}.

The services field demonstrates the same logic in a more recent and politically sensitive form. The Commission's FAQ on Article 5n, updated on 22 January 2026, states expressly that the sanctions on legal advisory services have been designed so as to preserve access to justice and the right of defence. It further explains that the prohibition does not apply to services strictly necessary for the exercise of the right of defence in judicial proceedings and the right to an effective legal remedy, or to services strictly necessary to ensure access to judicial, administrative, or arbitral proceedings in a Member State, or for

¹ Ibid.

² European Commission. (2024). *Frequently asked questions on asset freezes following sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁴ Ibid.

⁵ Ibid.

⁶ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

the recognition or enforcement of a judgment or arbitration award rendered in a Member State. This is a highly consequential clarification. It shows that even where the EU has decided to restrict professional services very broadly, it has not accepted a model of total legal isolation. Instead, the regime differentiates between ordinary legal-commercial support and core procedural access. That differentiation is one of the main legal limits that prevents service sanctions from becoming incompatible with the Union's rule-of-law commitments¹.

At the same time, the existence of derogations does not mean that the regime becomes loose or indeterminate. Most derogations are mediated through national competent authorities, and that administrative choice introduces both flexibility and risk. Flexibility arises because competent authorities can respond to concrete factual settings that no regulation could fully anticipate. Risk arises because the wider the room for national authorisation practice, the greater the possibility of divergent interpretations across Member States. One authority may read necessity narrowly; another may adopt a more functional approach. One may treat a payment structure as consistent with the objectives of the regime; another may regard it as too close to indirect benefit. These variations do not invalidate the sanctions framework, but they form an important part of its legal limits in practice. The law is uniform at Union level, but its day-to-day proportionality is often administered nationally^{2,3}.

5.2. Review of Legal Sanctions

5.2.1. Asset Freezes and the Immobilisation of Economic Resources

The asset-freeze mechanism should be treated as the central legal instrument of the EU's individual financial sanctions against Russia, because it converts political designation into a concrete and immediately operative form of juridical incapacitation. In the current Russia sanctions regime, the European Commission states that travel bans and financial measures now target 1,206 individuals and more than 108 organisations under the basic listing architecture of Council Decision 2014/145/CFSP and Council Regulation (EU) No 269/2014. That scale is analytically important, because it shows that asset freezes are not a peripheral supplement to trade and sectoral measures, but one of the Union's most heavily used coercive legal tools against Russia. At the same time, their significance lies not merely in the number of listed actors, but in the legal quality of the measure itself. An asset freeze interrupts the normal use of property, payment capacity, contractual execution, and access to financial infrastructure without requiring the Union to prove criminal liability in the classical sense. This makes it particularly suitable for a sanctions regime that is designed to be preventive, immediate, and strategically scalable. In the Russian context, asset freezes have therefore become both a symbol of designation and a practical mechanism of exclusion from lawful economic circulation in the Union legal space^{4,5}.

From a doctrinal perspective, the first point to stress is that an asset freeze is not equivalent to confiscation. The Council's 2024 update of the EU Best Practices explains that administrative freezing is to be distinguished from judicial freezing, seizure, and confiscation, which belong to national enforcement processes and cannot be imposed within the scope of restrictive measures as such. The Commission's asset-freeze FAQ makes the same point more directly by stating that sanctions in general, and asset freezes in particular, do not entail expropriation and are temporary in nature. This distinction

¹ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation (EU) No 833/2014)*.

² Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

³ European Union. (2024). *General framework for EU sanctions*.

⁴ European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁵ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

matters because it shapes both the legal justification and the reviewability of the measure. The EU is not formally extinguishing title to property in the manner of a criminal confiscation order; rather, it is suspending the legal usability of funds and economic resources within the jurisdictional reach of Union law. Yet this formal distinction should not obscure the practical severity of the measure. In operational terms, immobilisation can be economically devastating even where ownership is not formally transferred^{1,2}.

The effectiveness of asset freezes depends heavily on the breadth of the legal definitions used in Regulation 269/2014. Article 1 defines economic resources as assets of every kind, whether tangible or intangible, movable or immovable, which are not funds but may be used to obtain funds, goods, or services. It also defines the freezing of economic resources as preventing their use to obtain funds, goods, or services in any way, including by selling, hiring, or mortgaging them. The corresponding definition of the freezing of funds is even broader, because it covers any move, transfer, alteration, use of, access to, or dealing with funds that would change their volume, amount, location, ownership, possession, character, or destination. These definitions are fundamental to the legal architecture of the measure. They ensure that the sanctions regime is not confined to bank balances narrowly understood, but extends to the full range of assets and legal relationships through which economic value may be mobilised. In effect, the law targets not only wealth, but economic functionality³.

This broad definitional strategy explains why Article 2 of Regulation 269/2014 is constructed as a double mechanism rather than a single prohibition. Article 2(1) provides that all funds and economic resources belonging to, owned, held, or controlled by listed persons, entities, or bodies, or associated persons or entities listed in Annex I, shall be frozen. Article 2(2) then adds that no funds or economic resources shall be made available, directly or indirectly, to or for the benefit of those same listed actors. The first limb immobilises what the designated actor already has within legal reach. The second limb blocks the replenishment of economic capacity through new inflows, support, or transactional cooperation. This two-part structure is one of the main reasons why the asset-freeze regime is more powerful than a simple account-blocking measure. It disables both existing economic agency and future economic reinforcement. As a result, the measure works not merely by containment, but by ongoing deprivation of lawful access to external value^{4,5}.

A central legal question is how far this mechanism extends beyond the named person or entity in Annex I. The Commission's asset-freeze FAQ makes clear that the restrictions can affect transactions with entities owned or controlled by listed persons, even where those entities are not themselves separately named in Annex I. The FAQ further states that if a designated person is deemed to own or control a non-designated entity, it can be presumed that control extends to that entity's assets and that any funds or economic resources made available to the entity would reach or benefit the designated person. However, that presumption is not irrebuttable. The same guidance explains that it may be rebutted on a case-by-case basis if the entity demonstrates that some or all of its assets are outside the control of the listed person and that the value made available would not in fact reach or benefit that person. This is a sophisticated legal design, because it avoids both under-inclusion and over-formalism. It allows sanctions to reach complex control structures while still preserving a route for factual rebuttal^{6,7}.

The practical significance of the ownership-and-control doctrine is very considerable. A narrowly formal approach would allow listed actors to continue operating through subsidiaries, nominees, affiliated vehicles, and corporate intermediaries that are not themselves expressly listed. The EU has instead

¹ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

² European Commission. (2023). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁴ Ibid.

⁵ European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁶ European Commission. (2023). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁷ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

chosen a more functional approach, under which the legal assessment turns on effective reach and benefit, not solely on nominal registration status. This increases the burdens on financial institutions, counterparties, and compliance teams, because they must undertake real due diligence rather than merely screen names against a list. The asset-freeze regime therefore extends beyond the published annex in a meaningful operational sense. It creates a wider compliance perimeter around the listed actor, and this perimeter is especially important in the Russian case, where complex holding structures, offshore vehicles, and politically connected intermediary entities have often been used to diffuse ownership visibility. For that reason, the true reach of an asset freeze is usually broader than the Annex I entry alone would suggest^{1,2}.

Another major feature of the regime is its insistence on direct and indirect non-availability. Article 2(2) does not prohibit only obvious payments or transfers to a listed person. It also prohibits making funds or economic resources available indirectly or for the benefit of a listed person. This formulation is extremely important because it shifts the legal analysis from the immediate recipient to the functional beneficiary. The Commission FAQ illustrates this point by stating that even where an entity is neither owned nor controlled by the listed person, it cannot be ruled out that funds or economic resources might still be made indirectly available to that listed person through the transaction in question. In practice, this creates an anti-formalist logic: the law is interested in economic consequence, not merely in corporate façade. The asset-freeze regime thus operates through substantive benefit analysis rather than through a purely documentary test of party names^{3,4}.

This functional logic makes banks and other financial intermediaries the principal operational gatekeepers of the regime. Credit institutions must block transfers, maintain frozen balances, refuse prohibited releases, and screen transactional relationships for ownership, control, and indirect benefit risk. Yet the burden does not stop with banks. Because the definition of economic resources is broad and includes intangible assets capable of generating value, public institutions, registries, securities infrastructure, insurers, and corporate service providers may also become bearers of sanctions obligations. The Commission FAQ explicitly notes that public institutions such as a trademark register must not enable the use of the intellectual-property rights of a listed person or of a person owned or controlled by a listed person. This is a highly revealing example. It shows that the asset-freeze mechanism extends into administrative and regulatory infrastructures that would not ordinarily be seen as part of “financial sanctions” in a narrow sense. In that respect, immobilisation is a regime of cross-sector legal restraint, not merely a banking rule⁵.

The treatment of intangibles confirms this point further. The Commission explains that intellectual-property rights can qualify as economic resources and are therefore subject to the same restriction, because they may be used to obtain funds, goods, or services. That means patent rights, trademark rights, licence streams, and other intangible entitlements may all fall within the logic of immobilisation. A listed person’s economic resources are therefore frozen not only when physical or financial assets are blocked, but also when legally protected intangible assets can no longer be used to generate value in the Union. This has important implications for a high-technology and services-based economy. It means the sanctions regime is capable of targeting economic utility embedded in rights, not only in things. The broad concept of economic resources is thus one of the strongest legal design choices in the asset-

¹ European Commission. (2023). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it.*

² Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures.*

³ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.*

⁴ European Commission. (2023). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it.*

⁵ Ibid.

freeze framework. It ensures that immobilisation remains effective in a world where value often takes dematerialised form^{1,2}.

Table 5.2.1-1. Core legal components of the EU asset-freeze mechanism under Regulation 269/2014

Legal component	Main rule	Legal function	Practical effect
Definition of funds	Broad category of financial assets and benefits of every kind	Prevents narrow construction limited to cash or accounts	Extends immobilisation to securities, balances, claims, guarantees, and similar assets
Definition of economic resources	Assets of every kind that may be used to obtain funds, goods, or services	Captures non-cash value-bearing assets	Reaches tangible and intangible property, including certain IP-related assets
Freezing of funds	Prevents transfer, alteration, use, access, or dealing that changes legal or economic usability	Immobilises existing financial value	Blocks transactions and management of listed assets
Freezing of economic resources	Prevents use of resources to obtain funds, goods, or services	Suspends monetisation capacity	Blocks sale, mortgage, hire, licensing, or analogous exploitation
Non-availability rule	Prohibits making funds or economic resources available, directly or indirectly, to or for listed persons' benefit	Blocks new inflows and third-party support	Prevents replenishment through intermediaries or indirect structuring
Ownership/control extension	Can apply beyond expressly listed entities where effective ownership or control exists	Prevents evasion through non-listed vehicles	Expands compliance perimeter around listed persons
Derogation system	Allows limited authorised uses for basic needs, legal fees, routine holding, extraordinary expenses, pre-existing claims, and related matters	Preserves targeted character and proportionality	Maintains legal operability while keeping restrictive effect intact

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.*
- European Commission. (2023). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures.*

A further strength of the regime is that it does not leave immobilisation as an undefined absolute. The Commission's 2019 opinion on derogations states that the common derogations from asset-freeze obligations are meant to enable designated persons to satisfy certain needs and obligations and are a clear expression of the targeted nature of EU restrictive measures and of respect for the principle of proportionality. This is a highly important doctrinal clarification. It shows that derogations are not political concessions grafted onto a rigid system after the fact. They are part of the legal logic through which the EU distinguishes sanctions from indiscriminate deprivation. In other words, the Union seeks

¹ European Commission. (2023). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

² Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.*

to immobilise value, not to create total civil death. The derogation framework is therefore internal to the legitimacy of the freeze mechanism itself^{1,2}.

Article 4 of Regulation 269/2014 gives this principle concrete form. It allows national competent authorities to authorise the release of frozen funds or economic resources, or the making available of certain funds or economic resources, where these are necessary for basic needs, intended exclusively for reasonable professional fees or reimbursement of incurred expenses associated with legal services, intended exclusively for routine holding or maintenance charges, or necessary for extraordinary expenses. The list is legally and politically revealing. It indicates that sanctions are meant to restrict strategic and economic agency, but not to extinguish access to food, housing, medicine, utilities, or legal representation. It also confirms that routine maintenance costs remain sanction-relevant even where the underlying asset is frozen, because frozen assets often still require custody, servicing, or administrative upkeep. The extraordinary-expenses clause further allows national authorities to manage atypical but serious situations under a notification discipline involving the other Member States and the Commission. This is a carefully calibrated model of controlled exception rather than blanket relaxation^{3,4}.

The derogation system also protects the continuing relevance of adjudicated claims and pre-existing legal relationships. Under Article 5, competent authorities may authorise the release of frozen funds or economic resources where the assets are subject to an arbitral decision rendered prior to listing, to a judicial or administrative decision rendered in the Union, or to a judicial decision enforceable in the Member State concerned, provided that the payment is used exclusively to satisfy claims secured or recognised by that decision, is not for the benefit of a listed person, and is not contrary to public policy. Article 6 complements this by allowing the release of certain frozen funds or economic resources where a payment by a listed person is due under a contract or agreement concluded, or under an obligation that arose, before listing, so long as the payment is not in breach of Article 2(2). These provisions are crucial for understanding the legal sophistication of the regime. They show that the freeze mechanism does not deny the existence of contracts, debts, or awards. Rather, it subjects their performance to a sanctions filter⁵.

Article 7 provides an additional nuance that is often overlooked in public discussion. It states that Article 2(2) does not prevent the crediting of frozen accounts by financial or credit institutions receiving funds transferred by third parties onto the account of a listed person, provided that any additions to those accounts will also be frozen and the relevant competent authority is informed without delay. It likewise allows the addition to frozen accounts of interest or other earnings, payments due under pre-listing contracts, and payments due under judicial, administrative, or arbitral decisions, again on condition that such additions are also frozen. This provision is analytically important because it confirms that immobilisation is not the same as erasure. Frozen accounts may still exist as repositories of value, and value may still accrue to them, but that value remains unusable absent an authorised derogation. The law thereby preserves financial traceability and legal continuity while maintaining economic non-usability. This is a sophisticated form of containment rather than a simplistic zero-balance model⁶.

The asset-freeze regime also relies heavily on information duties, which are indispensable for turning immobilisation from a formal rule into an enforceable system. Article 8 requires natural and legal persons, entities, and bodies to supply immediately any information that would facilitate compliance with the Regulation, including information on accounts and amounts frozen under Article 2, and to

¹ European Commission. (2019). *Commission opinion on the application of derogations from the freezing of funds and from the prohibition of making funds and economic resources available to designated persons and entities*.

² Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

³ Ibid.

⁴ European Commission. (2019). *Commission opinion on the application of derogations from the freezing of funds and from the prohibition of making funds and economic resources available to designated persons and entities*.

⁵ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁶ Ibid.

cooperate with the competent authority in verifying such information. Article 12 further requires the Commission and Member States to inform each other of measures taken under the Regulation and to share relevant information, in particular regarding frozen funds, authorisations under Articles 4 to 6, and violation or enforcement problems and judgments handed down by national courts. These provisions matter because a freeze is only as effective as the informational visibility supporting it. Hidden assets, ambiguous ownership structures, and fragmented national implementation can all undermine legal immobilisation. Reporting and cooperation provisions therefore perform a crucial intelligence function within the sanctions' regime^{1,2}.

Anti-circumvention obligations reinforce that informational architecture. Article 9 states that it is prohibited to participate, knowingly and intentionally, in activities the object or effect of which is to circumvent the measures referred to in Article 2. This is a short provision, but one of great legal significance. It means the Union does not rely only on enumerated prohibited acts; it also targets schemes designed to frustrate the objective of the freeze mechanism. In the Russian context, this is especially important because adaptation through layered corporate structures, intermediaries, asset transfers, and disguised benefit channels has been a persistent practical challenge. The anti-circumvention rule therefore acts as a legal backstop against creative compliance avoidance. It prevents the regime from being reduced to a game of formal relabelling^{3,4}.

A further stabilising element is the regime's liability shield. Article 10 provides that the freezing of funds and economic resources, or the refusal to make funds or economic resources available, carried out in good faith on the basis that such action is in accordance with the Regulation, shall not give rise to liability unless the freezing or withholding resulted from negligence. It also states that actions by natural or legal persons shall not give rise to liability if they did not know, and had no reasonable cause to suspect, that their actions would infringe the Regulation. This is a highly important rule for practical implementation. Without it, banks, custodians, registries, and counterparties would face severe uncertainty about civil liability arising from sanctions compliance. The law therefore protects compliant behaviour from being chilled by private-law exposure. That protection is one of the reasons the freeze mechanism can work at scale⁵.

Article 11 adds a related but distinct mechanism by blocking certain claims connected with contracts or transactions whose performance has been affected by the sanctions. No claims of that kind are to be satisfied where they are made by designated persons or by persons acting through or on behalf of them. This is a critical piece of sanctions architecture. It ensures that the asset-freeze regime is not undone through ordinary contractual and indemnity litigation brought by sanctioned actors against those who complied with the law. In other words, the Regulation governs not only the public-law prohibition but also the downstream private-law consequences of non-performance. That is particularly important in high-value Russian business relationships involving guarantees, bonds, compensation clauses, and financing obligations. The no-claims rule thus protects the integrity of immobilisation within the wider legal ecosystem of commercial enforcement⁶.

The General Court's case-law confirms that these internal limits and exceptions matter for proportionality analysis. In *NSD v Council*, the Court held that the effects of restrictive measures were confined to the territory of the Union and did not prevent the applicant from engaging in activities in its home country or in other third countries. The Court also noted that while the restrictive measures prevent the applicant from using the funds or economic resources belonging to it, they do not deprive it

¹ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*

² Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

³ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁴ European Commission. (2023). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁵ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁶ *Ibid*.

of the right to receive interest or other earnings on frozen accounts, provided that such earnings are also frozen. Most importantly, the Court stressed that Regulation 269/2014 contains derogations enabling national authorities to authorise the release of certain funds or economic resources for basic needs, legal services, routine holding or maintenance, extraordinary expenses, and certain pre-existing contractual payments. On that basis, the Court concluded that the interference with the applicant's freedom to conduct a business and right to property could not be regarded as disproportionate. This is a major judicial endorsement of the targeted design of the freeze regime¹.

The same judgment is also important because it clarifies the interpretation of payment under Article 6. The Court held that, given the broad definitions of funds and economic resources in Article 1, the concept of payment in Article 6 cannot be interpreted narrowly as referring only to transfers of money. It reasoned that a restrictive interpretation would run counter to the possibility of releasing broadly defined funds or economic resources in order to make a payment due under a pre-listing contract or agreement. On that basis, the Court concluded that the derogation in Article 6 could allow national authorities to authorise the release of frozen funds or economic resources to enable the return of customers' securities or bonds held in frozen accounts with EU securities depositories. This is a legally important clarification. It shows that the asset-freeze regime is not mechanically cash-centred, but capable of addressing broader forms of contractual performance where the legal conditions for derogation are met. In practice, that makes the regime more coherent and more defensible^{2,3}.

More broadly, the recent case-law also supports the proposition that asset freezes are legally justified where they are rationally connected to the Union's foreign-policy objectives and remain proportionate in light of their limited territorial scope and the availability of derogations. In *NSD v Council*, the Court expressly linked the restrictive measures to the objective of preserving peace and international security and of increasing the cost of Russia's actions against Ukraine. In *SBK Art v Council*, the General Court likewise treated the restrictive logic as part of the Union's effort to exert maximum pressure on the Russian authorities and reduce the revenue base and enabling environment available to the Russian state and those materially or financially supporting it. This case-law does not make asset freezes immune from challenge. It does, however, demonstrate that the Courts regard them as legally appropriate instruments when grounded in intelligible listing criteria and embedded in a system of safeguards. That judicial posture is one of the reasons the freeze mechanism has remained central to the EU's sanctions policy^{4,5}.

Table 5.2.1-2. Effectiveness drivers and structural constraints of the EU asset-freeze regime against Russia

Dimension	Effectiveness driver	Structural constraint
Legal breadth	Broad definitions of funds and economic resources widen the scope of immobilisation	Broad concepts can increase interpretative uncertainty and over-compliance risk
Operational reach	Ownership/control doctrine extends the regime beyond explicitly listed names	Beneficial ownership opacity and complex structures make factual tracing difficult
Immediate coercive effect	Freezes operate rapidly once listing enters into force	Their impact depends on prior asset visibility and cooperation by intermediaries
Normative robustness	Derogations preserve proportionality and targeted character	Divergent national authorisation practices may reduce uniformity

¹ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union* (Case T-494/22).

² Ibid.

³ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁴ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union* (Case T-494/22).

⁵ General Court of the European Union. (2025). *SBK Art OOO v Council of the European Union* (Case T-102/23).

Dimension	Effectiveness driver	Structural constraint
Anti-evasion capacity	Direct/indirect benefit logic and anti-circumvention rules block formalistic avoidance	Indirect benefit tests can be evidentially difficult in cross-border cases
Implementation incentives	Liability shields and no-claims rules protect compliant operators	Private actors may still respond with excessive de-risking or delayed decisions
Judicial sustainability	Courts have recognised proportionality where safeguards and derogations exist	Listings still remain vulnerable where reasons or evidence are insufficient

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.*
- European Commission. (2019). *Commission opinion on the application of derogations from the freezing of funds and from the prohibition of making funds and economic resources available to designated persons and entities.*
- European Commission. (2023). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measure.*
- General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22).*

The main practical limitations of the asset-freeze mechanism arise not from its legal conception, which is relatively sophisticated, but from its implementation environment. First, the measure is only as effective as the quality of information available on asset location, beneficial ownership, control structures, and intermediary channels. Secondly, because derogations are administered by national competent authorities, the everyday proportionality of the regime is partly decentralised, which can produce interpretative divergence across Member States. Thirdly, private actors often respond to sanctions risk with over-compliance, refusing transactions or services that may in principle be lawful under a derogation or outside the real reach of the freeze. Finally, the more complex the asset form, the harder it becomes to translate legal immobilisation into operational immobilisation. Securities, trust-like structures, nominee holdings, offshore vehicles, and intangible rights all require more than a basic bank-screening model. These are not reasons to abandon the measure, but they are reasons to assess its effectiveness realistically^{1,2}.

The analytical conclusion is therefore clear. Asset freezes and the immobilisation of economic resources should be classified as one of the most legally mature and strategically useful components of the EU sanctions architecture against Russia. Their strength lies in the combination of broad definitional drafting, the double mechanism of freezing plus non-availability, the extension through ownership and control, the reach to intangible and indirect value channels, and the presence of derogations that preserve targetedness and proportionality. Their limits lie in evidentiary opacity, uneven national administration, and the practical difficulty of tracing complex control and benefit structures in real time. Even so, the case-law and the administrative guidance together show that the regime is not merely punitive in appearance, but carefully constructed as a preventive and reviewable instrument of legal-economic incapacitation. For Part Five of the present report, that finding is important because it

¹ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures.*

² European Commission. (2023). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

confirms that asset freezes are not only a symbolic sanction. They are a foundational legal technology of exclusion, pressure, and controlled incapacitation within the broader EU sanctions system^{1,2,3}.

5.2.2. Non-Recognition and Non-Enforcement of Certain Russian Anti-Suit Injunctions, Judgments, and Related Penalties

The EU's prohibition on the recognition and enforcement of certain Russian anti-suit injunctions and related decisions should be treated as one of the most legally innovative elements of the post-2024 Russia sanctions architecture. Unlike asset freezes, trade bans, or service restrictions, this measure does not primarily deny material resources or market access. Instead, it protects the Union legal space against the extraterritorial and coercive effects of Russian judicial acts that are seen by the Union as incompatible with established principles of international dispute settlement. In that sense, the measure operates at the intersection of sanctions law, private international law, and the law of international commercial dispute resolution. Its purpose is not to suspend all legal interaction with Russian courts, nor to create a general policy of non-recognition of Russian judgments. Rather, it targets a defined class of judicial measures associated with Russian anti-suit practice and with the penalties imposed for non-compliance with that practice. This distinction is fundamental, because without it the measure would be misunderstood as a broad judicial embargo, which it is not. The provision is best understood as a defensive legal sanction aimed at neutralising a specific coercive litigation technique used against EU operators^{4,5}.

The immediate political-legal context of this measure was the EU's 15th package of sanctions, adopted on 16 December 2024. The Council's sanctions timeline states expressly that the package included a "ban on the recognition or enforcement in the EU of rulings issued by Russian courts based on Article 248 of the Arbitration Procedure Code of the Russian Federation". This package-level description is important because it shows how the Union itself presented the measure in public institutional communication. It was not introduced as a general civil-procedure reform, nor as a technical private-law clarification. It was presented as part of the Union's restrictive-measures response to Russia's continuing destabilising conduct. At the same time, the public summary is narrower than many political paraphrases might suggest. The prohibition concerned rulings based on Article 248 of the Russian Arbitration Procedure Code, not Russian judgments in general. The specificity of that description is one of the keys to analysing the measure correctly⁶.

The legal rationale was made explicit in the recitals to the December 2024 amending regulation. The Council stated that Russian courts had recently issued decisions based on Article 248 of the Arbitration Procedure Code of the Russian Federation which prohibited European companies from initiating or continuing proceedings in foreign courts or tribunals against Russian companies and had also imposed, inter alia, disproportionately high financial penalties in cases of failure to comply. The Union further declared that the manner in which Russian courts issued such anti-suit injunctions and fines was in clear violation of established international principles and long-standing practices in the resolution of international business disputes. That recital is extremely significant for the analytical structure of this subsection. It tells us that the EU measure was not based merely on political displeasure with Russian litigation strategy. It was framed as a response to what the Union considered a serious distortion of the

¹ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

² European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

³ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

⁴ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*;

⁵ Council of the European Union. (2025). *Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁶ Council of the European Union. (2026). *Timeline — EU sanctions against Russia*.

accepted architecture of international commercial justice. In other words, the prohibition was justified as the defence of legal order, not only as economic pressure^{1,2}.

The same recital also explains the immediate purpose of the Union's response. In order to prevent efforts by claimants to enforce such anti-suit injunctions or fines, or any other court decision based on Article 248 or equivalent Russian legislation, the Union introduced a prohibition on the recognition or enforcement in the Union of injunctions, orders, judgments, or other court decisions pursuant to or in relation to Article 248 of the Arbitration Procedure Code of the Russian Federation or equivalent Russian legislation. This wording matters for at least three reasons. First, it confirms that the EU's focus was not only on injunctions as such, but also on related judicial acts built on the same Russian legal basis. Secondly, it shows that the Union was responding not merely to the issuance of such decisions in Russia, but to potential attempts to project their legal effects into the EU legal area. Thirdly, the reference to "equivalent Russian legislation" demonstrates that the Council intended the rule to be partly future-proof, so that functionally similar Russian measures could not easily escape the prohibition by being re-labelled or relocated within the Russian legal system^{3,4}.

The operative legal rule was inserted into Regulation 833/2014 as Article 11c. In its original December 2024 form, Article 11c(1) provided that no injunction, order, relief, judgment, or other court decision pursuant to or derived from Article 248 of the Arbitration Procedure Code of the Russian Federation or equivalent Russian legislation was to be recognised, given effect, or enforced in a Member State. This is a notably broad formula within a narrow field. It does not stop at non-enforcement, which would have been the more familiar language of civil-procedure resistance. It also prohibits recognition and even the giving of legal effect. That broader wording suggests that the Union wished to prevent not only direct execution of Russian anti-suit measures, but also any more indirect reliance on them within Member State legal systems. The legal technique is therefore stronger than a simple refusal to execute. It is a denial of juridical traction inside the Union⁵.

The phrase "recognised, given effect or enforced" deserves close attention. Recognition would normally relate to treating the foreign decision as legally valid for a given purpose within the Member State. Enforcement would concern coercive or formal execution through domestic mechanisms. The intermediate phrase "given effect" goes further than both in an important way. It can capture situations in which a foreign decision is not formally recognised or executed through ordinary exequatur-type procedures, but is nevertheless relied on or treated as legally consequential in some other judicial or administrative context. By using all three concepts together, the Union created a deliberately comprehensive shield against juridical spillover from the Russian anti-suit mechanism. This makes the provision particularly important for complex commercial disputes, where legal pressure is often exerted not only through formal enforcement but also through collateral procedural and evidentiary uses of foreign judicial acts. The EU rule is thus both preventive and structurally defensive⁶.

It is equally important to state what the provision does not do. It does not introduce a general non-recognition regime for Russian judgments as such. It does not purport to invalidate all Russian commercial, civil, or administrative decisions in the Union. Nor does it create a universal rule against cooperation with any Russian adjudicatory outcome. The prohibition is expressly limited to injunctions, orders, relief, judgments, or other court decisions issued pursuant to or derived from the Russian anti-suit framework identified by the EU. That narrowness is a strength rather than a weakness. It makes the provision legally more defensible, avoids overreach into areas not necessary for the sanctions'

¹ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

² Council of the European Union. (2024). *Council Decision (CFSP) 2024/3187 of 16 December 2024 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

³ Ibid.

⁴ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁵ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁶ Ibid.

objective, and preserves the targeted logic that runs through the broader EU restrictive-measures architecture. In analytical terms, the measure is a selective jurisdiction-protection tool, not a wholesale embargo on Russian adjudication¹.

The second paragraph of Article 11c is no less significant. It provides that no request for assistance during an investigation or other criminal proceedings, and no punishment or other sanction pursuant to the Russian Criminal Code based on an alleged violation of an injunction, order, relief, judgment, or other court decision pursuant to or derived from Article 248 or equivalent Russian legislation, shall be recognised, given effect, or enforced in a Member State. This expands the Union’s defensive posture beyond the civil-commercial plane. It shows that the EU anticipated not only the direct use of Russian anti-suit decisions, but also the possibility that their breach might be leveraged through criminal-investigative or punitive pathways. The significance of this rule is substantial. It prevents Member States from becoming indirect enforcement auxiliaries for a Russian litigation strategy that the Union had already judged incompatible with established international principles. In effect, the EU refused both the primary coercive order and the secondary punitive apparatus built around it².

That second paragraph is especially important for understanding the phrase “related penalties” in the title of this subsection. The Union was not concerned only with the anti-suit injunction itself, but also with the financial penalties and criminal-law consequences that could be attached to an alleged breach of such an injunction. The December 2024 recital had already referred to “disproportionately high financial penalties” imposed by Russian courts for failure to comply. Article 11c(2) then addressed the related punitive dimension in operative legal language. This makes the EU measure more sophisticated than a simple non-recognition clause. It does not merely neutralise the anti-suit order at the level of civil-procedure effect; it also blocks the downstream coercive chain by which Russia could try to intensify pressure on EU companies through criminal proceedings or associated punitive measures. The provision therefore functions as a shield against both primary injunction pressure and secondary sanction pressure^{3,4}.

From a broader legal-policy perspective, the December 2024 measure marked a shift in the EU’s Russia sanctions from predominantly economic interdiction toward defence of the Union’s adjudicatory and arbitral space. Anti-suit injunctions of the type described by the Council are capable of undermining the ability of European companies to rely on foreign courts or tribunals, including arbitral tribunals, in disputes with Russian counterparties. That is why the recital explicitly referred to proceedings in foreign courts or tribunals and to international business disputes. The issue was therefore not simply one of civil-procedure inconvenience. It concerned the preservation of party autonomy, access to agreed dispute-resolution mechanisms, and the practical viability of transnational legal remedies. By refusing recognition and enforcement in the EU, the Union sought to ensure that Russian anti-suit tactics would not acquire secondary leverage through Member State legal systems. In this sense, the measure is protective of legal process as much as it is restrictive of Russian judicial outputs^{5,6}.

The December 2024 package also linked this development to a wider deterioration in the Russian legal and business environment. In recital 9 of Regulation 2024/3192, the Council stated that operators should be aware that Russia was a country where the rule of law was no longer applied and that the Russian Federation had adopted several pieces of legislation targeting the assets of companies from “unfriendly countries”, including Member States. The Council warned that this could lead to Union

¹ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No. 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*; Council of the European Union. (2026). *Timeline – EU sanctions against Russia*.

² Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No. 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

³ Ibid.

⁴ Council of the European Union. (2024). *Council Decision (CFSP) 2024/3187 of 16 December 2024 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

⁵ Ibid.

⁶ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No. 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

assets being stranded in Russia without the possibility for orderly withdrawal, and that Union operators should consider winding down business in Russia or refraining from new business there. This broader contextual language matters for the interpretation of Article 11c. It places the non-recognition rule within an integrated EU diagnosis of legal, institutional, and investment risk in Russia. The anti-suit injunction problem was therefore not treated as an isolated procedural anomaly, but as one manifestation of a wider breakdown in predictable legal conditions¹.

A further evolution followed with the EU's 16th package, adopted on 24 February 2025. The February 2025 amending regulation replaced Article 11c with more precise wording. Instead of referring generically to Article 248, the revised text referred specifically to Article 248.1 or Article 248.2 of the Arbitration Procedure Code of the Russian Federation or equivalent Russian legislation. This drafting change is analytically valuable. It indicates that the Union moved from an initial, broader shorthand reference to a more exact identification of the Russian legal provisions considered problematic. Such precision strengthens the legal defensibility of the measure, because it reduces interpretative ambiguity and narrows the risk that the prohibition could be read more broadly than intended. It also suggests that the EU regarded the December 2024 response as only the first stage in a more developed litigation-defence architecture².

The February 2025 reform did more than refine Article 11c. It also amended Article 5ab to prohibit, directly or indirectly, transactions with legal persons, entities, or bodies that had lodged a claim before a Russian court against certain EU-linked persons in order to obtain an injunction, order, relief, judgment, or other court decision pursuant to or derived from Article 248.1 or Article 248.2, in connection with contracts or transactions affected by EU sanctions, where those claimants were listed in Annex XLIII. This is a major development in the legal design of the regime. The EU moved beyond passive non-recognition and adopted an active restrictive measure against certain claimants who sought to weaponise the Russian anti-suit framework. The logic is straightforward. If Article 11c blocks the downstream legal effect of the Russian decision inside the Union, Article 5ab can also penalise or isolate the party seeking to obtain and exploit that decision. Together, the two provisions form a more complete defensive system³.

This two-step architecture is one of the most important features of the current regime. The first step is juridical denial: the Russian anti-suit injunction or related decision is not to be recognised, given effect, or enforced in the EU. The second step is transactional deterrence: certain claimants who actively pursued such decisions against EU-connected actors may themselves become subject to transaction restrictions. The result is a significantly more serious legal response than a standard foreign-judgment exception. It means that the EU is not merely saying "this decision will not be honoured here". It is also saying that participation in the Russian anti-suit strategy may itself attract restrictive legal consequences within the Union. That dual design materially strengthens the protective effect of the measure. It also signals to Russian and Russia-linked litigants that anti-suit pressure will not be a cost-free tactic where EU sanctions are involved⁴.

To clarify the evolution of the legal framework, the key stages may be summarised as follows.

¹ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No. 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

² Council of the European Union. (2025). *Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No. 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

³ Ibid.

⁴ Council of the European Union. (2025). *Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No. 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

Table 5.2.2-1. Evolution of the EU legal response to Russian anti-suit injunctions and related penalties

Date / package	Legal act	Core innovation	Analytical significance
16 December 2024 (15th package)	Council Decision (CFSP) 2024/3187	Introduced, at CFSP level, the prohibition on recognition or enforcement in the Union of certain Russian anti-suit injunctions and related court decisions	Established the strategic and political basis for a defensive judicial-response mechanism
16 December 2024 (15th package)	Council Regulation (EU) 2024/3192	Inserted Article 11c into Regulation 833/2014; prohibited recognition, giving effect, or enforcement in a Member State of decisions pursuant to or derived from Article 248 APC RF or equivalent Russian legislation; also blocked related requests for assistance, punishments, and sanctions	Converted the political decision into directly applicable Union law and widened protection beyond pure civil enforcement
24 February 2025 (16th package)	Council Regulation (EU) 2025/395	Replaced Article 11c to refer specifically to Article 248.1 and 248.2 APC RF; amended Article 5ab to target certain claimants using the Russian anti-suit framework	Increased legal precision and added active deterrence against litigation-based sanctions circumvention
24 February 2025 (16th package)	Council sanctions timeline / package summary	Presented the February package as a further strengthening of the sanctions system	Confirmed that the EU viewed litigation-coercion tools as part of the broader sanctions' battlefield

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2024). *Council Decision (CFSP) 2024/3187 of 16 December 2024 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- Council of the European Union. (2025). *Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- Council of the European Union. (2026). *Timeline — EU sanctions against Russia.*)

The legal significance of the February 2025 refinement lies partly in its move toward greater doctrinal precision. When a sanctions provision operates in a field as sensitive as recognition and enforcement of foreign judicial acts, drafting clarity matters immensely. Over-breadth creates litigation risk and interpretative uncertainty, while over-narrowness can allow evasive adaptation. By replacing the generic Article 248 reference with explicit references to Articles 248.1 and 248.2, the EU appears to have attempted a better balance between scope and precision. It identified the problematic Russian provisions more exactly while preserving the catch-all reference to equivalent Russian legislation. This is the kind of drafting adjustment characteristic of a maturing sanctions regime. It indicates an effort to move from headline reaction to legally sustainable design¹.

The practical effect of Article 11c within Member States is potentially far-reaching, even though the measure is narrow in subject matter. Where a claimant seeks to rely on a Russian anti-suit injunction, related judgment, or associated punitive measure inside the Union, Member State authorities are instructed not merely to decline execution, but to deny recognition and effect altogether. This can matter in commercial enforcement proceedings, asset-related proceedings, insolvency-related interactions, and disputes over whether a party acted lawfully in continuing foreign litigation or arbitration. The prohibition therefore protects EU operators from a second layer of pressure. They may still face coercive exposure in Russia, but that exposure is denied additional leverage through EU courts and authorities.

¹ Ibid.

In this sense, Article 11c does not eliminate the primary risk, but it materially reduces the transnational amplification of that risk. That is a meaningful sanctions effect even without asset blocking or direct financial prohibition^{1,2}.

At the same time, the measure has clear limitations, and those should be acknowledged explicitly. First, it operates only within the legal space of the Union and cannot by itself neutralise the domestic effect of Russian anti-suit injunctions inside Russia. Secondly, it does not automatically compensate EU companies for losses caused by such Russian measures, although the broader 2025 amendments created related litigation and recovery tools elsewhere in the Regulation. Thirdly, the concept of “equivalent Russian legislation” may require interpretative work at Member State level if Russia continues to modify or diversify its litigation-control mechanisms. Finally, because the provision is relatively new, its practical force will depend heavily on how consistently national courts, competent authorities, and private litigants understand and invoke it. These are not fatal weaknesses, but they do show that the measure is a shield with territorial and institutional limits, not a complete solution to cross-border litigation coercion³.

A further strength of the EU approach is that it avoids conflating defensive legal protection with indiscriminate judicial disengagement. By targeting a narrow and politically salient class of Russian decisions, the Union can maintain that it is defending the integrity of international dispute resolution rather than simply refusing cooperation with an entire foreign legal system. This matters for proportionality and for the external presentation of EU sanctions as rule-based instruments. The narrower the measure, the easier it is to justify as a necessary and specific response to a concrete abuse. The December 2024 and February 2025 acts both follow this logic. They focus on judicial acts linked to a sanctions-related anti-suit strategy and on claimants using that strategy, rather than on Russian judgments in general. That selectivity is one of the reasons why this measure should be classified as legally sophisticated^{4,5}.

The current structure also illustrates a more general transformation in EU sanctions law. Traditionally, the legal review of sanctions focused on listings, asset freezes, trade controls, and service bans. By contrast, Article 11c and the related 2025 amendments show the sanctions regime reaching into the domain of litigation strategy, judgment effects, and forum control. This is an important evolution for the present report. It suggests that the EU increasingly understands sanctions not merely as economic restrictions, but as tools for protecting the Union’s legal and commercial order against hostile or coercive external legal acts. That makes Part Five especially significant, because the legal sphere is no longer only the place where sanctions are drafted and reviewed. It is also a field in which sanctions respond to attempts to weaponise law itself. The non-recognition and non-enforcement rule is therefore not a marginal doctrinal detail. It is an example of sanctions law adapting to a more juridified form of geopolitical conflict^{6,7,8}.

The measure’s main effectiveness drivers and constraints may be summarised as follows.

¹ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

² Council of the European Union. (2025). *Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

³ Ibid.

⁴ Council of the European Union. (2024). *Council Decision (CFSP) 2024/3187 of 16 December 2024 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

⁵ Council of the European Union. (2025). *Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

⁶ Ibid.

⁷ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

⁸ Council of the European Union. (2026). *Timeline — EU sanctions against Russia*.

Table 5.2.2-2. Effectiveness drivers and structural constraints of the EU's Article 11c mechanism

Dimension	Effectiveness driver	Structural constraint
Normative precision	February 2025 reform specified Articles 248.1 and 248.2 APC RF, reducing ambiguity	"Equivalent Russian legislation" may still require interpretation in future cases
Protective reach	Prohibition covers recognition, giving effect, and enforcement, not enforcement alone	Measure cannot neutralise the primary coercive effect of Russian decisions inside Russia
Sanctions integration	Embedded in Regulation 833/2014 as part of the sanctions' regime, not as a standalone private-law rule	Dependent on awareness and use by national courts, authorities, and litigants
Secondary pressure blocking	Article 11c(2) refuses recognition of related criminal-assistance requests, punishments, and sanctions	Cross-border factual proof may still be complex where Russian proceedings are opaque
Deterrence capacity	Article 5ab adds transaction bans for certain claimants using the anti-suit mechanism	Restrictive effect depends on Annex-based designation and scope of listed claimants
Rule-of-law defensibility	Narrow targeting avoids a blanket ban on Russian judgments in general	Narrow scope means the measure does not address every hostile Russian legal tactic

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- Council of the European Union. (2025). *Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- Council of the European Union. (2026). *Timeline — EU sanctions against Russia.*

The overall conclusion is that the EU's prohibition on the recognition and non-enforcement of certain Russian anti-suit injunctions, judgments, and related penalties should be classified as a strategically significant but carefully delimited legal sanction. Its significance lies in the fact that it protects EU courts and authorities from becoming channels through which Russian litigation-coercion techniques acquire additional force. Its careful delimitation lies in the fact that it does not purport to reject Russian adjudication in general, but only a narrowly defined set of decisions linked to Article 248.1, Article 248.2, or equivalent Russian legislation. The December 2024 innovation and the February 2025 refinement together show a sanctions regime learning to respond to legal coercion with legal counter-architecture. This makes the measure particularly interesting from the standpoint of long-term sanctions design. It is not an economic embargo instrument in the traditional sense, but it is nevertheless a real sanction because it withdraws legal recognition, denies enforceability, and raises the cost of using Russian anti-suit mechanisms against EU-connected actors. In that regard, it represents one of the clearest examples in the current Russia regime of the Union using sanctions law to defend the integrity of its legal order^{1,2,3}.

5.2.3. Restrictions on Legal Advisory and Arbitration-Related Services

The restrictions on legal advisory and arbitration-related services occupy a particularly sensitive place in the EU sanctions architecture, because they sit at the intersection of sanctions policy, access to justice, professional independence, and the practical conduct of cross-border business disputes. Unlike trade bans or asset freezes, these restrictions operate directly upon the legal services

¹ Ibid.

² Council of the European Union. (2025). *Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

³ Council of the European Union. (2024). *Council Regulation (EU) 2024/3192 of 16 December 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

environment through which Russian state actors and Russia-established entities might otherwise continue to organise commercial life, defend transactions, restructure assets, or maintain contractual leverage. Yet the legal design chosen by the Union is not a blanket prohibition on lawyering or arbitration as such. From the outset, the EU framed the measure as a restriction on a specific category of legal advisory services, while expressly excluding legal representation in judicial, arbitral, and mediation proceedings. This distinction is fundamental for the present report, because it shows that the Union sought to impair non-contentious legal-commercial support without extinguishing minimum procedural access. The subsection must therefore be analysed not as a story of a general “ban on arbitration”, but as a more refined regime of selective service denial combined with procedural carve-outs^{1,2}.

The immediate legal source of this regime was the eighth package of sanctions adopted on 6 October 2022. The Council’s official press release stated that the package extended the prohibition on the provision of certain services to Russia by adding architectural and engineering services, IT consultancy services, and legal advisory services. In parallel, Regulation (EU) 2022/1904 inserted the relevant amendments into Regulation 833/2014. That chronology matters because it shows that the legal-advisory restriction was not part of the original 2014 sanctions regime, but a later-stage escalation responding to the prolonged and deepening conflict. It also reflects a broader shift in EU sanctions design after 2022: the Union moved beyond classic trade and finance restrictions and began targeting the business-enabling service ecosystem that supports commercial operation, restructuring, compliance, and dispute management. Legal services became sanction-relevant because they were viewed as part of the infrastructure through which Russian state and corporate actors could continue to function under pressure^{3,4}.

At the core of the regime lies Article 5n(2) of Regulation 833/2014, under which it is prohibited, directly or indirectly, to provide legal advisory services to the Government of Russia or to legal persons, entities, or bodies established in Russia. The dual formula “directly or indirectly” is critical, because it widens the rule beyond straightforward retainer relationships and captures arrangements where the immediate service recipient is not the only or ultimate beneficiary. The provision is also targeted as to addressees: it is not framed as a general territorial prohibition on all legal work connected with Russia, but as a sanctions measure addressed to the Russian Government and Russia-established entities. This means that the architecture of the prohibition is recipient-centred rather than subject-matter-centred. That design is consistent with the broader structure of Article 5n, which regulates the provision of specified services to certain sanctioned target categories. It also makes the service restriction functionally analogous to transaction and service bans elsewhere in Regulation 833/2014^{5,6}.

The EU legislator also chose to define the notion of legal advisory services with unusual specificity. Recital 19 of Regulation 2022/1904 states that legal advisory services cover the provision of legal advice to customers in non-contentious matters, including commercial transactions, involving the application or interpretation of law; participation with or on behalf of clients in commercial transactions, negotiations, and other dealings with third parties; and the preparation, execution, and verification of legal documents. This definitional choice has major analytical importance. It shows that the EU was targeting the non-contentious legal machinery of commerce rather than the entire legal profession as such. The definition reaches contract drafting, transactional structuring, negotiation support, and

¹ Council of the European Union. (2022). *Council Regulation (EU) 2022/1904 of 6 October 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

² Council of the European Union. (2022). *EU adopts its latest package of sanctions against Russia over the illegal annexation of Ukraine’s Donetsk, Luhansk, Zaporizhzhia and Kherson regions*.

³ Ibid.

⁴ Council of the European Union. (2022). *Council Regulation (EU) 2022/1904 of 6 October 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

⁵ Ibid.

⁶ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia’s military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

documentary execution. In effect, the prohibition was designed to deprive Russian public and corporate actors of non-contentious legal-operational support, not to bar them from every form of legal process¹.

Equally important is what the definition explicitly excludes. The same recital states that legal advisory services do not include representation, advice, preparation of documents, or verification of documents in the context of legal representation services, namely in matters or proceedings before administrative agencies, courts, or other duly constituted official tribunals, or in arbitral or mediation proceedings. This carve-out is the doctrinal centre of the present subsection. It means that there is no general EU prohibition on legal representation in arbitration under Article 5n. Arbitral representation, and work intrinsically bound to such representation, falls outside the concept of prohibited legal advisory services. The EU thereby preserved a core distinction between legal support for commercial operation and legal support for dispute resolution. This is one of the main reasons why the heading of this subsection must speak of “arbitration-related services” rather than a “ban on arbitration”: the sanction reaches the arbitration field only partially and indirectly^{2,3}.

The Commission’s 2026 FAQ confirms this interpretation in unambiguous terms. It states that, as indicated in recital 19 of Regulation 2022/1904, legal advisory services do not include representation, advice, preparation of documents, or verification of documents in the context of legal representation services, including proceedings before administrative agencies, courts, or other duly constituted official tribunals, or in arbitral or mediation proceedings. The FAQ concludes expressly that legal representation is therefore not subject to the prohibition. This clarification matters greatly in practice, because without it many market actors would have read Article 5n far more broadly and might have concluded that any arbitration-related lawyering for a Russia-established entity was unlawful. The Commission instead reinforced the narrower reading: contentious representation remains outside the core prohibition. For the sanctions’ regime, this is a key legitimacy-preserving feature⁴.

This distinction has been strongly reinforced by the EU courts. In *ACE-Avocats, ensemble v Council*, the General Court described the measure as a prohibition on the provision of legal advisory services to the Russian Government and entities established in Russia, while examining extensive arguments based on the right to be advised by a lawyer, legal professional privilege, the rule of law, and proportionality. The Court held, in substance, that the prohibition did not infringe the right guaranteed by Article 47 of the Charter because Article 5n(5) and 5n(6) preserve access to legal assistance where it is linked to judicial proceedings and effective remedies. The Court also explained that the “strictly necessary” criterion in those paragraphs is intended to avoid abuse of the exceptions, not to undermine access to a lawyer in the context of proceedings. This case is central because it demonstrates that the Union courts have treated the measure not as a wholesale exclusion from legal process, but as a calibrated restriction compatible with minimum procedural guarantees⁵.

The General Court went further and clarified that the scope of the exceptions is broader than a narrowly formal reading might suggest. It stated that Article 5n(5) and 5n(6) permit legal advisory services where a lawyer is called upon for assistance in defending a client or representing a client before the courts, or for advice as to the manner of instituting or avoiding judicial proceedings. It also held that those provisions permit a lawyer to carry out a prior assessment of the legal situation of Russia-established entities in order to determine whether the advice sought is strictly necessary to ensure access to judicial proceedings, to pre-empt or anticipate such proceedings, or to ensure that they are properly conducted once commenced. This is highly consequential for arbitration-related work. It indicates that preliminary legal analysis connected with the prospect of contentious proceedings may remain outside the prohibition if it is genuinely tied to procedural access or defence. Thus, the dividing line is not simply

¹ Council of the European Union. (2022). *Council Regulation (EU) 2022/1904 of 6 October 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

² Ibid.

³ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia’s military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

⁴ Ibid.

⁵ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

between “before” and “during” proceedings, but between non-contentious commercial support and procedurally necessary legal assistance¹.

The specific exceptions in Article 5n(5) and Article 5n(6) are therefore the legal hinge of the whole regime. Article 5n(5) excludes from the prohibition services that are strictly necessary for the exercise of the right of defence in judicial proceedings and the right to an effective legal remedy. Article 5n(6) excludes services strictly necessary to ensure access to judicial, administrative, or arbitral proceedings in a Member State, or for the recognition or enforcement of a judgment or an arbitration award rendered in a Member State, provided that such services are consistent with the objectives of Regulation 833/2014 and Regulation 269/2014. These provisions are carefully drafted. They preserve procedural access but do so within a sanctions-sensitive framework. In other words, the Union did not simply create an abstract “access to justice” reservation; it created a conditional, purpose-bound exemption that must remain compatible with the wider objectives of the sanctions’ regime^{2,3}.

That architecture has one particularly important implication for arbitration. Article 5n(6) refers specifically to access to judicial, administrative, or arbitral proceedings in a Member State, and to the recognition or enforcement of a judgment or arbitration award rendered in a Member State. The Commission’s FAQ expressly states that this exemption applies only to proceedings in a Member State or to the recognition or enforcement of a judgment or award rendered in a Member State. However, the same FAQ adds that legal advisory services may still be allowed even outside the EU if they fall within Article 5n(5), that is, if they are strictly necessary for the exercise of the right of defence in judicial proceedings and the right to an effective legal remedy. This is a subtle but very important doctrinal distinction. It means that arbitral access in a Member State is expressly protected by Article 5n(6), while proceedings outside the Union may still be covered indirectly through the right-of-defence logic of Article 5n(5), depending on the circumstances⁴.

This distinction confirms why it is inaccurate to describe the EU regime as imposing a ban on arbitration. The Union has not prohibited arbitral proceedings as such, nor has it prohibited representation in those proceedings. What it has done is to prohibit a defined category of non-contentious legal advisory services provided to the Russian Government or Russia-established entities, while preserving arbitral access in a Member State and recognition or enforcement of awards rendered there. In addition, the case-law suggests that pre-litigation or pre-arbitration legal assessment may still be permissible where it is genuinely necessary to secure access to proceedings or to prepare for their proper conduct. The restriction therefore operates as a transactional and corporate law constraint, not as a general anti-arbitration norm. This distinction is essential for serious legal analysis and should be maintained throughout Part Five^{5,6,7}.

The distinction between prohibited advice and permitted representation becomes clearer when one examines *Jemerak*. In that case, the Court of Justice held that the authentication by a notary of a contract for the sale of immovable property in a Member State owned by a legal person established in Russia, the notarial acts implementing that contract, and translation services provided by an interpreter during such authentication were not covered by the prohibition on legal advisory services. The Court’s operative part is important not only because it narrows the prohibition in the notarial context, but because it confirms that not every legally relevant act performed by a legal professional fall within the concept of prohibited “legal advisory services”. Where the act is essentially formal, legally required, impartial, and not oriented toward promoting the specific interests of one party through legal advice, it may fall outside the

¹ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

² Ibid.

³ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia’s military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

⁴ Ibid.

⁵ Council of the European Union. (2022). *Council Regulation (EU) 2022/1904 of 6 October 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

⁶ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

⁷ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia’s military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

prohibition. The judgment therefore protects a narrow but significant category of legal-formal acts necessary for property disposal and documentation^{1,2,3}.

At the same time, the Commission’s FAQ makes clear that notarial services are generally covered by Article 5n(1)(a) if they are provided to an entity established in Russia or to the Government of Russia and do not fall within one of the applicable exceptions. It gives examples such as the authentication of contracts, certification of signatures, and the establishment of deeds regarding factual circumstances, all of which can fall under the notion of preparation, execution, and verification of legal documents. The same FAQ then draws the Jemerak-based qualification: where a notary acts with complete independence and impartiality, under a legal obligation imposed by the national system, and merely authenticates a contract for the sale of immovable property without providing legal advice intended to promote the specific interests of the parties, the activity may fall outside the scope of the prohibition. This is a fine-grained and fact-sensitive standard. It underscores once again that the EU chose a functional, not a purely formal, concept of legal advisory activity^{4,5}.

The same approach governs the treatment of indirect provision. The Commission explains that legal advisory services are “indirectly” provided when another operator than the immediate recipient is also benefiting from them. It gives the example of an EU subsidiary receiving legal consultation which indirectly benefits the Russian parent company. Whether the prohibition applies therefore depends on a case-by-case assessment of the actual benefit flow. Legal consultation regarding a local issue affecting the EU subsidiary alone is less likely to constitute prohibited indirect provision, whereas legal consultation aimed at setting up a new globally operating corporate structure would likely amount to indirect provision to the Russian parent. This is one of the more operationally demanding parts of the regime. It requires law firms and in-house legal teams to analyse not merely formal client identity, but also corporate benefit architecture⁶.

A related point, often overlooked, is that the prohibition applies regardless of the type of law involved. The Commission states explicitly that the ban covers legal advisory services under EU law, Russian law, or any other non-EU law when provided by a Russian representative office of an EU-based legal entity to the Government of Russia or to companies in Russia, unless an exception or derogation applies. This is highly significant because it prevents an easy argument that sanctions should only bite when the legal service concerns EU law or sanctions law as such. The Union’s focus is on the provision of restricted services to restricted recipients, not on the formal source of the substantive law being discussed. For professional practice, this means that Russian-law advice rendered by EU-linked entities can fall within the prohibition just as much as EU-law advice⁷.

The regime also rejects a broad humanitarian or professional-relations carve-out for pro bono work. The Commission’s 2026 FAQ states expressly that no specific exemptions or derogations are provided for pro bono legal advisory services as such, and that such services are generally prohibited when provided to the Government of Russia or to legal persons, entities, or bodies established in Russia. However, as with remunerated services, pro bono work is not prohibited if it falls outside the scope of the prohibition, for example, because it is provided to a natural person rather than a Russia-established legal entity, or because it falls within Article 5n(5) or 5n(6). This is an important illustration of the regime’s logic. The

¹ Court of Justice of the European Union. (2024). *GM, ON v PR (Case C-109/23, Jemerak)*.

² Court of Justice of the European Union. (2024). *GM, ON v PR*.

³ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia’s military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*

⁴ Ibid.

⁵ Court of Justice of the European Union. (2024). *GM, ON v PR (Case C-109/23, Jemerak)*.

⁶ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia’s military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

⁷ Ibid.

prohibition is not built around whether the lawyer is paid, but around the nature, recipient, and purpose of the service. Thus, the EU's approach is recipient- and function-centred, not fee-centred¹.

Another operationally relevant point is that the current regime extends beyond the “main” legal advice to certain ancillary services. According to the Commission FAQ, Article 5n(3a) prohibits the provision of ancillary services, such as technical assistance, brokering services, financing, or financial assistance, related to services prohibited under Article 5n(1) and (3). The same FAQ explains that under Article 5n(10), competent authorities may authorise the provision of otherwise prohibited services, including those ancillary services. This matters for legal and arbitration-related practice because complex dispute-support or transaction-support arrangements may involve not only pure legal advice but also related facilitation services. The sanctions regime thus seeks to prevent easy functional substitution by cutting off some of the auxiliary support structure around prohibited services².

The derogation structure has also become more differentiated over time. The Commission explains that, after 30 September 2024, operators wishing to provide certain intra-group services to legal persons established in Russia that are owned by, or solely or jointly controlled by, EU, EEA, Swiss, or partner-country entities must obtain authorisation from the relevant national competent authority under Article 5n(10)(h). It also clarifies that this derogation may apply even where the Russian entity is jointly controlled by an EU company and a non-partner-country company. This indicates that the Union has gradually moved from a narrower wind-down logic to a more managed authorisation framework for some intra-group services. Legally, this is highly relevant because it acknowledges that not all Russia-related legal and other restricted services are equally problematic where the beneficiary structure remains heavily EU-linked. The regime is therefore not static; it has evolved into a more conditional authorisation system in specific corporate contexts³.

The General Court in *ACE* also clarified an important hard edge of the regime: legal advice relating to divestment from Russia, the wind-down of business activities there, or share-transfer arrangements involving Russian shareholders can still be prohibited where it is intended directly or indirectly for the Russian Government or entities established in Russia. The Court noted that such prohibition may be lifted only under the applicable derogation framework, including Article 12b(2a) and the relevant authorisation provisions. This observation is analytically valuable because it shows that the sanctions architecture does not treat all “exit-related” legal work as automatically permissible. Legal advice about leaving Russia may still amount to prohibited non-contentious legal support for Russian counterparties, unless it fits within a specific derogation. The regime therefore seeks to distinguish genuine compliance-compatible exit work from legal services that continue to serve the commercial interests of Russia-established actors⁴.

The main legal architecture of this subsection may be summarised as follows.

Table 5.2.3-1. Core legal structure of the EU restrictions on legal advisory and arbitration-related services

Element	Main legal content	Practical meaning	Analytical significance
Basic prohibition	Article 5n(2) prohibits direct or indirect provision of legal advisory services to the Government of Russia and Russia-established entities	Restricts non-contentious legal-commercial support	Targets the business-enabling legal environment rather than litigation as such
Definition of legal advisory services	Advice in non-contentious matters, transactional participation, preparation/execution/verification of legal documents	Covers contract, negotiation, structuring,	Shows the regime is aimed at transactional legal operations

¹ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

² Ibid.

³ Ibid.

⁴ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

Element	Main legal content	Practical meaning	Analytical significance
		and documentation work	
Express exclusion	Legal representation, including in arbitral or mediation proceedings, is excluded from the concept	Arbitration representation is not generally prohibited	Confirms there is no blanket EU ban on arbitration
Article 5n(5) exception	Services strictly necessary for the right of defence and effective legal remedy	Preserves minimum procedural justice	Prevents the regime from becoming incompatible with Article 47 Charter
Article 5n(6) exception	Services strictly necessary for access to judicial, administrative, or arbitral proceedings in a Member State, or recognition/enforcement of judgments or awards rendered there	Protects access to EU-based dispute resolution and award enforcement	Makes the arbitration-related carve-out territorially and functionally specific
Indirect provision doctrine	Services may be prohibited where another operator also benefits, e.g. a Russian parent	Requires case-by-case benefit analysis	Extends the regime beyond formal client identity
Authorised derogations	National competent authorities may authorise certain intra-group or wind-down related services	Creates controlled flexibility	Preserves economic manageability without abandoning sanctions logic

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2022). *Council Regulation (EU) 2022/1904 of 6 October 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22).*
- Court of Justice of the European Union. (2024). *GM, ON v PR (Case C-109/23, Jemerak).*
- European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014).*

From the standpoint of effectiveness, the restrictions on legal advisory services have clear strengths. They interfere directly with the ability of Russia-established entities and the Russian Government to obtain transactional legal support, corporate structuring advice, contract-related drafting, and negotiation assistance from EU-linked providers. That can increase legal friction in commercial dealings, complicate restructurings, hinder certain financing or transfer arrangements, and make it harder to preserve normalised business operations under sanctions pressure. At the same time, the regime is more legally sustainable precisely because it does not extinguish representation in arbitral and judicial proceedings. By preserving procedural defence and EU-connected arbitral access, the Union reduced the risk that the measure would be struck down or widely regarded as incompatible with rule-of-law commitments. In that respect, the regime combines coercive effect with a significant degree of constitutional self-restraint^{1,2}.

Its limitations, however, should also be stated clearly. First, the borderline between prohibited non-contentious advice and permitted procedurally necessary assistance can be factually difficult to apply, especially in pre-arbitration strategy, settlement-oriented advice, compliance counselling, or mixed corporate-dispute situations. Secondly, the “indirect provision” test places substantial interpretative burdens on law firms and in-house teams, who must assess not only the formal client but the

¹ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22).*

² European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014).*

downstream beneficiary structure. Thirdly, national competent-authority authorisation practice may vary, especially in intra-group and wind-down scenarios. Fourthly, the regime's territorial orientation toward proceedings and awards in a Member State leaves more uncertainty around some extra-EU arbitral contexts, even though Article 5n(5) may still preserve a right-of-defence route. These constraints do not negate the sanction's value, but they do make it a compliance-intensive and interpretation-sensitive instrument^{1,2}.

Table 5.2.3-2. Effectiveness drivers and structural constraints of the EU restrictions on legal advisory and arbitration-related services

Dimension	Effectiveness driver	Structural constraint
Commercial disruption	Blocks non-contentious legal support for transactions, structuring, and documentation	Complex matters often mix contentious and non-contentious elements
Anti-circumvention reach	Direct/indirect formula captures benefit flowing to Russian parents or affiliates	Benefit analysis is fact-intensive and can generate uncertainty
Rule-of-law defensibility	Express carve-outs preserve legal representation and procedural access	Narrow carve-outs may still leave grey zones in pre-dispute strategy
Arbitration impact	Restricts some arbitration-adjacent advisory work outside pure representation	Does not amount to a general ban on arbitration or arbitral representation
Administrative flexibility	Authorisation routes allow narrowly controlled intra-group or wind-down services	National practice may diverge in timing, interpretation, and scope
Compliance seriousness	Encourages high-level internal screening by law firms and corporates	Risk of over-compliance may chill lawful or exempt procedural work

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2022). *Council Regulation (EU) 2022/1904 of 6 October 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22).*
- Court of Justice of the European Union. (2024). *GM, ON v PR (Case C-109/23, Jemerak).*
- European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014).*

The overall conclusion is that the EU restrictions on legal advisory and arbitration-related services should be classified as a targeted and legally sophisticated instrument of service denial, not as a blanket prohibition on legal process. Their primary function is to deprive the Russian Government and Russia-established entities of non-contentious legal-commercial support from EU-linked providers, thereby increasing friction in transactional, corporate, and organisational activity. Their legal sustainability rests on the equally deliberate decision to exclude legal representation in judicial, arbitral, and mediation proceedings from the core prohibition and to preserve narrowly framed exceptions for defence, effective remedy, access to proceedings in a Member State, and recognition or enforcement of awards rendered there. As a result, the measure exerts meaningful coercive pressure while remaining more defensible

¹ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014).*

² General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22).*

than a broader anti-lawyer or anti-arbitration ban would have been. For the purposes of this report, it is best understood as a sanction against legal-operational enablement, not against adjudication itself^{1,2,3}.

5.2.4. Restrictions on Intellectual-Property Rights, Trade Secrets, and Related Technology Rights

The restrictions on intellectual-property rights, trade secrets, and related technology rights should be understood not as a single isolated sanction, but as a multi-layered legal cluster within the EU's Russia regime. Their importance lies in the fact that they move sanctions law beyond the classic model of controlling only physical goods, financial flows, or listed persons. In this field, the Union has progressively recognised that military, industrial, and economic capability can be transferred not only through hardware and capital, but also through legally protected knowledge, software-related rights, industrial know-how, confidential technical information, and registration-based exclusivities. As a result, the sanctions architecture has evolved towards a more sophisticated model in which the law restricts not only the export of goods and technology, but also the licensing, transfer, and operational use of the intangible rights that make those goods and technologies reproducible, maintainable, and commercially exploitable. For the purposes of the present report, this subsection therefore covers three linked domains: first, the prohibition on transferring intellectual-property rights and trade secrets connected with controlled goods and technology; secondly, the anti-circumvention obligations concerning the use of such rights by non-EU controlled entities and third-country counterparties; and thirdly, the later restrictions on the registration of certain intellectual-property rights in the Union by Russian nationals, residents, and companies^{4,5,6}.

The first decisive step in this direction was taken in the 11th package adopted on 23 June 2023. The Council's public sanctions timeline described that package, among other things, as including "a ban on the sale, licensing or transfer of intellectual property rights or trade secrets". The amending regulation itself translated that political description into operative legal language by inserting, across multiple export-control provisions of Regulation 833/2014, a prohibition on selling, licensing, or otherwise transferring intellectual-property rights or trade secrets, as well as granting rights to access or re-use material or information protected by intellectual-property rights or constituting trade secrets, where those rights or information were related to controlled goods and technology and to their provision, manufacture, maintenance, or use. That step was legally significant because it marked an explicit shift from a goods-centred export-control model to a goods-plus-intangibles model. The Union thereby acknowledged that capability transfer can occur through rights and protected information even where the physical shipment of the item itself is blocked^{7,8}.

The legal formula used by the Union in 2023 deserves close attention. The prohibition does not stop at the sale or licence of a patent, copyright-related software entitlement, or trade secret in the narrow sense. It also extends to the grant of rights to access or re-use any material or information protected by means of intellectual-property rights or constituting trade secrets, provided that this material or information is related to the relevant controlled goods and technology and to their provision,

¹ Council of the European Union. (2022). *Council Regulation (EU) 2022/1904 of 6 October 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

² General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

³ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation 833/2014)*.

⁴ Council of the European Union. (2023). *Council Regulation (EU) 2023/1214 of 23 June 2023 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁵ Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁶ Council of the European Union. (2025). *Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁷ Council of the European Union. (2023). *Council Regulation (EU) 2023/1214 of 23 June 2023 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁸ Council of the European Union. (2026). *Timeline – packages of sanctions against Russia since February 2022*.

manufacture, maintenance, or use. This drafting is deliberate and functionally expansive. It captures not only formal title transfer, but also access rights, re-use rights, technical know-how exposure, and similar intangible channels through which the sanctioned goods or technology could still be operationalised. In practical terms, this means that the sanctions regime does not allow a controlled item to be withheld physically while the protected documentation, design logic, production instructions, maintenance manuals, or software-related exploitation rights are quietly transferred instead. The legal object of restriction is therefore technological enablement, not merely the physical object¹.

Another important aspect of the 2023 reform is that these intangible-rights prohibitions were not confined to one narrow article of Regulation 833/2014. The amending act inserted this legal formula into several different export-control provisions covering dual-use goods, military- and defence-relevant items, aviation- and space-related goods, firearms and ammunition, and various goods capable of contributing to Russian industrial or technological capacity. That legislative choice matters analytically because it shows that the Union did not treat intellectual-property and trade-secret restrictions as a niche specialist add-on. Instead, it embedded them across the wider sectoral sanctions architecture wherever the protected intangible could serve as an enabling layer for controlled goods and technology. In effect, the EU reframed the export-control system so that the relevant legal question became not only “Can the item be exported?” but also “Can the protected knowledge-rights ecosystem around that item be transferred or made usable in Russia?”²

This expansion is best understood as a response to the structural weaknesses of classical sanctions design. If a sanctioned state or sanctioned end-user cannot lawfully purchase a machine, component, or software tool, but can still acquire the licence, protected schematics, production instructions, technical package, or legally usable confidential know-how needed to reproduce or maintain it, the restriction remains materially incomplete. The Union’s 2023 amendments attempted to close exactly that gap. They reflected an understanding that intellectual-property rights and trade secrets are not merely private-law assets. In an industrial-security context, they are vectors of technological capability. By regulating the transfer of such rights where they are linked to controlled goods and technology, the EU sought to deprive Russia not only of physical deliveries but of the intangible architecture of reproduction and sustainment. This is one of the clearest examples in the current sanctions regime of the Union translating export-control logic into knowledge-control logic³.

At the same time, the Union recognised that such restrictions could create legitimate problems in relation to divestment and business withdrawal from Russia. For that reason, the sanctions framework also preserved a wind-down and divestment derogation. Article 12b, as amended over time, allows competent authorities to authorise, under specified conditions, the sale, supply, or transfer of certain controlled goods and technologies, as well as the sale, licensing, or transfer in any other way of intellectual-property rights or trade secrets and the granting of rights to access or re-use related protected material or information, where this is strictly necessary for divestment from Russia or the wind-down of business activities there. What matters for the present stage of the report is that this derogation has not remained static. The October 2025 amending regulation stated that Russia’s increasingly hostile legal environment could leave Union assets stranded without the possibility of orderly withdrawal, and on that basis, it extended relevant divestment derogations, including this one, until 31 December 2026. This demonstrates that the EU has sought to balance capability denial with an orderly exit logic for Union operators^{4,5}.

¹ Council of the European Union. (2023). *Council Regulation (EU) 2023/1214 of 23 June 2023 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

² Ibid.

³ Ibid.

⁴ Council of the European Union. (2025). *Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

⁵ Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine*.

That derogation is analytically important because it confirms that the EU does not regard all transfers of protected rights as equally undesirable in every circumstance. The objective is not to trap Union undertakings indefinitely in a hostile and increasingly law-distorted Russian market. Rather, the objective is to prevent such rights from continuing to support Russian capability, while still allowing tightly controlled rights transfers where they are strictly necessary to exit the market or unwind exposure. In other words, the restriction on IP and trade secrets is not absolute in the abstract. It is strategically conditional. This conditionality improves the legal sustainability of the regime, because it aligns sanctions pressure with the Union's policy preference that undertakings should withdraw from Russia rather than remain trapped there¹.

A further step in the legal architecture concerns anti-circumvention and control over non-EU entities. Article 8a of Regulation 833/2014 requires natural and legal persons, entities, and bodies to undertake their best efforts to ensure that any legal person, entity, or body established outside the Union that they own or control does not participate in activities that undermine the restrictive measures in the Regulation. The Commission's guidance on Article 8a makes the relevance of intellectual-property rights and trade secrets explicit. It explains that where sanctioned goods are produced on the basis of intellectual-property rights or trade secrets previously transferred by an EU operator to a non-EU entity which that operator owns or controls, and the EU operator does not act to prevent their further use in support of supply to Russia, the operator cannot be regarded as having taken all necessary and feasible actions. The same guidance states that the timing of the transfer is not decisive, so long as the EU operator still retains the power to block further use. This is a major development in sanctions technique. It means that the legal reach of the EU regime can persist even after an earlier transfer of rights if control over downstream use remains available^{2,3}.

This "best efforts" model is particularly notable because it modifies the usual temporal logic of sanctions. A purely transactional view would focus on whether the intellectual-property right or trade secret was transferred before or after the prohibition entered into force. The Commission's guidance adopts a more functional approach. It asks instead whether the EU operator still has the capacity to prevent the right or secret from being used in a way that undermines the sanctions regime. This introduces an ongoing governance responsibility over intangible rights that may already have been contractually shared or licensed before the sanctions tightened. For legal policy, this is significant. It converts IP-related sanctions from a one-time transfer prohibition into a continuing duty of downstream control and prevention⁴.

The Union also extended this anti-circumvention approach into the contractual sphere. In the 14th package of June 2024, Article 12ga was inserted to require natural and legal persons, entities, and bodies, when selling, licensing, or otherwise transferring intellectual-property rights or trade secrets, as well as when granting rights to access or re-use protected material or information related to common high priority items listed in Annex XL, to contractually prohibit their third-country counterparts and possible sublicensees from using those rights or secrets in connection with such items intended for sale, supply, transfer, or export to Russia or for use in Russia. This provision is one of the most sophisticated sanctions techniques in the current regime. The Union is not merely prohibiting conduct; it is requiring operators to embed sanctions-compliance restraints into their own private-law chains. In effect, contract law becomes an instrument of geopolitical risk containment⁵.

¹ Council of the European Union. (2025). *Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

² Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

³ European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on the following provision: Article 8a of Council Regulation (EU) No 833/2014*.

⁴ Ibid.

⁵ Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

That contractualisation of IP-related sanctions has practical implications beyond abstract doctrine. It means that EU rights-holders and technology providers can no longer treat licensing agreements, technology-transfer clauses, and sublicense structures as commercially neutral legal instruments where common high priority items are concerned. They must actively design those instruments so as to inhibit diversion to Russia and must provide “adequate remedies” in the event of contractual breach. This reinforces the wider anti-circumvention logic of the sanctions’ regime, but in an especially important field: intangible rights are often easier to replicate, split, or conceal than physical goods. By forcing contractual discipline into the licensing chain, Article 12ga reduces the risk that a formal export ban will be circumvented by a legally dressed-up rights-transfer structure through third countries¹.

The sanctions regime has also continued to expand in the field of software-related technology rights. The October 2025 amending regulation added further restrictions concerning the provision to the Government of Russia or to legal persons, entities, or bodies established in Russia of software for enterprise management, software for industrial design and manufacture, and certain software with uses in the banking and financial sector. Crucially for this subsection, the same act also prohibited the sale, licensing, or other transfer of intellectual-property rights or trade secrets, as well as the grant of access or re-use rights to protected material or information, where these were related to that software and to its provision, manufacture, maintenance, or use. This development is highly relevant because it shows the sanctions framework moving from rights connected with controlled hardware and industrial goods into rights connected with software ecosystems. In other words, the Union increasingly treats code-related rights, protected software know-how, and software-linked trade secrets as strategic technology enablers requiring direct regulation².

This extension into software-related rights is not a marginal technical amendment. It reflects a broader strategic understanding that Russia’s military-industrial and state-administrative capabilities increasingly depend on software layers that can be maintained, adapted, and reproduced through intangible rights and confidential information rather than through physical imports alone. In legal terms, the 2025 reform confirms that the Union is no longer restricting only the transfer of software as an object; it is also restricting the rights environment that allows software to be lawfully used, maintained, and evolved. That is a considerable widening of sanctions technique, and it places intellectual-property law and trade-secret governance much closer to the centre of sanctions policy than in the earlier phases of the regime³.

To summarise the first major dimension of this subsection, the EU’s restrictions on intellectual-property rights and trade secrets are no longer limited to a narrow export-control adjunct. They now form a structured legal field connecting export bans, software restrictions, divestment derogations, best-efforts duties, and contractual anti-circumvention requirements. This structure may be represented as follows.

Table 5.2.4-1. Core sanction mechanisms concerning intellectual-property rights, trade secrets, and related technology rights

Mechanism	Main legal content	Practical function	Analytical significance
Export-related IP/trade-secret ban (2023)	Prohibits sale, licensing, transfer, or grant of access/re-use rights regarding IPRs, trade secrets, and protected information related to controlled goods and technology	Blocks intangible capability transfer linked to sanctioned items	Converts export control into knowledge-rights control

¹ Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.*

² Council of the European Union. (2025). *Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.*

³ Ibid.

Mechanism	Main legal content	Practical function	Analytical significance
Divestment / wind-down derogation	Allows competent authorities to authorise certain rights transfers strictly necessary for divestment or wind-down	Prevents Union assets from being irretrievably trapped in Russia	Balances sanctions pressure with orderly exit logic
Article 8a best-efforts obligation	Requires EU operators to use best efforts so non-EU controlled entities do not undermine sanctions	Extends compliance duties into controlled foreign subsidiaries and downstream use of transferred rights	Creates continuing responsibility over the exploitation of IPRs and trade secrets
Article 12ga contractual clause	Requires contractual prohibition on the use of relevant IPRs/trade secrets by third-country counterparties and sublicensees in relation to common high priority items for Russia	Pushes anti-circumvention discipline into private licensing chains	Makes contract drafting part of sanctions enforcement
Software-related rights restrictions (2025)	Extends restrictions to IPRs and trade secrets related to enterprise-management, industrial-design/manufacture, and certain financial software	Targets digital capability and maintenance ecosystems	Shows sanctions law moving from hardware-centred to software-rights-centred control

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2023). *Council Regulation (EU) 2023/1214 of 23 June 2023 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on the following provision: Article 8a of Council Regulation (EU) No 833/2014.*
- Council of the European Union. (2025). *Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

The second major branch of this subsection is different in nature. It concerns not the transfer of rights related to controlled goods or software, but the acceptance of new applications for certain intellectual-property rights in the Union. This mechanism was introduced in the 14th package through Article 5s of Regulation 833/2014. Article 5s provides that intellectual-property offices and other competent institutions constituted under the law of a Member State or the Union shall not accept new applications for registration filed by Russian nationals, natural persons residing in Russia, or legal persons, entities, or bodies established in Russia in respect of certain intellectual-property rights, and shall likewise not accept requests or submissions filed by such persons during the relevant registration procedures. The Commission's IPR FAQ explains that the primary burden of implementation falls on the Commission, the EUIPO, and national intellectual-property offices. This is an unusual legal technique within sanctions law, because it does not regulate export, finance, or services in the ordinary sense. It regulates entry into the Union rights-registration system itself^{1,2}.

The rationale for Article 5s was made explicit in both the recitals to the 2024 amending regulation and the Commission's later IPR FAQ. The regulation stated that the Russian Government and Russian courts had been undertaking actions to illegitimately deprive Member State intellectual-property-rights holders of their protection in Russia, resulting in an undue competitive advantage for Russian industry and contributing to Russian revenues. The Council press release on the 14th package presented the measure as a restriction on accepting applications for registrations in the EU of certain intellectual-property rights

¹ Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

² European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it.*

by Russian nationals and companies, with the aim of offsetting those Russian actions. The Commission FAQ repeats this rationale and places it in a wider context that includes Russian parallel-import practice and Russian measures restricting Union companies' ability to reassert or recover control over their rights and industrial know-how. Analytically, this is important because Article 5s is not aimed at depriving Russia of military technology directly. It is a retorsive and protective measure responding to what the Union regarded as abusive Russian treatment of Union rights-holders^{1,2,3}.

The scope of Article 5s is also broader and more systematised than a brief public summary might suggest. According to the Commission's November 2024 FAQ, the rights covered include new applications for patents, trademarks, industrial designs, and geographical indications, including not only national filings but also EU filings and certain international routes involving the EPO, WIPO, the Madrid system, the Hague system, and Geneva Act notifications, where the relevant procedural phase enters Union or national office handling. This is a broad administrative perimeter. It shows that the Union did not wish to leave simple forum-shopping routes open inside the broader international IP registration architecture. At the same time, the FAQ states clearly that Article 5s does not affect the maintenance and renewal of existing intellectual-property rights; it concerns only new applications and certain requests or submissions during registration procedures. This distinction is crucial. The Union is blocking new acquisition or procedural advancement of protected rights in the Union by target persons, but it is not automatically extinguishing pre-existing rights⁴.

The implementation technique is equally notable. The Commission FAQ explains that non-acceptance under Article 5s does not necessarily require a formal decision of refusal in every case; rather, the office may communicate that the application, request, or submission will not be processed by virtue of Article 5s and that no filing number or filing date will be accorded. The applicant may in principle re-submit if Article 5s is later repealed. This design is interesting because it is administratively efficient and sanctions-sensitive. Instead of converting every blocked filing into a fully adjudicated refusal, the Union created a mechanism of procedural non-entry. This reduces administrative burden while preserving the restrictive effect. It also reflects the idea that Article 5s is a sanctions measure, not a substantive reassessment of the merits of the intellectual-property claim itself^{5,6}.

The regime is not wholly absolute, however. Article 5s(5), as explained in the Commission FAQ, exempts nationals of a Member State, of an EEA country, or of Switzerland, and natural persons holding a temporary or permanent residence permit in a Member State, an EEA country, or Switzerland. The FAQ further clarifies that dual nationals holding, for example, both Russian nationality and Member State nationality are exempt irrespective of residence, whereas dual nationals holding Russian nationality plus the nationality of some other non-EU/non-EEA/non-Swiss state are not exempt on that basis. It also notes that joint applications by a target person together with a non-target or otherwise exempt person are still caught by Article 5s, although the non-target person may re-file without the target person. This shows that the Union designed the measure to target Russian legal-person and residence/nationality connections, while still preserving an exit route for persons already embedded in the wider European legal area⁷.

The interaction with individual financial sanctions is also important. The Commission's IPR FAQ explains that Regulation 269/2014 and Regulation 833/2014 apply independently and must both be complied

¹ Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

² Council of the European Union. (2024). *Russia's war of aggression against Ukraine: comprehensive EU's 14th package of sanctions cracks down on circumvention and adopts energy measures.*

³ European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it.*

⁴ Ibid.

⁵ Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

⁶ European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it.*

⁷ Ibid.

with. Even before Article 5s, the Commission had taken the position that applications for the registration of new intellectual-property rights by persons listed in Annex I to Regulation 269/2014, or by persons owned or controlled by them, should be rejected because such applications create new rights for the benefit of the applicant and therefore qualify as making economic resources available. At the same time, existing registered intellectual-property rights owned or controlled by designated persons do not necessarily have to be invalidated or revoked. They may remain in place, though frozen, and may in certain circumstances be renewed if the conditions of the asset-freeze regime are respected. This interaction is analytically revealing. It shows that the EU's IP-related sanctions operate through both the individual restrictive-measures track and the sectoral Russia-regulation track, each with different logics and different target categories^{1,2}.

Taken together, these measures demonstrate that the EU has moved decisively away from the older assumption that intellectual-property law is merely a neutral background system unaffected by sanctions except incidentally. In the current Russia regime, intellectual-property rights, trade secrets, protected technical information, software-related rights, and registration procedures are all treated as possible channels of strategic enablement, circumvention, or retaliatory legal leverage. The Union has responded accordingly with a legal architecture that combines transfer bans, licensing restrictions, downstream-control duties, contractual obligations, registration-access limits, and carefully preserved derogations. This is a substantial doctrinal development. It places IP and trade-secret governance within the core of sanctions policy rather than at its edges^{3,4,5}.

The main effectiveness drivers and structural constraints of this IP-related sanctions field may be summarised as follows.

Table 5.2.4-2. Effectiveness drivers and structural constraints of the EU's IP-, trade-secret-, and technology-rights restrictions

Dimension	Effectiveness driver	Structural constraint
Intangible capability denial	Rights-transfer bans close the loophole whereby controlled technology could still be operationalised through licences, know-how, or protected information	Determining whether a given right or secret is sufficiently related to a controlled good or technology can be fact-sensitive
Anti-circumvention resilience	Article 8a and Article 12ga extend control into non-EU subsidiaries and third-country contractual chains	Enforcement depends heavily on documentation, contractual architecture, and the practical ability to block downstream use
Software control	2025 reforms extend the same logic to software-related rights, reflecting the strategic importance of digital capability	Software-related licensing and maintenance arrangements are often complex, cross-border, and technically opaque
Retaliatory / protective legal logic	Article 5s responds directly to Russian actions undermining Union rights-holders in Russia and denies easy access to the EU registration system	The measure is narrow to new filings and selected procedural stages, so its economic pressure is indirect rather than immediate
Rule-of-law defensibility	Existing rights are not automatically extinguished; exemptions and permit-holder carve-outs preserve a degree of proportionality	The coexistence of Regulations 833/2014 and 269/2014 creates a layered compliance environment that may be difficult for offices and businesses to navigate

¹ European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it.*

² Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.*

³ Council of the European Union. (2023). *Council Regulation (EU) 2023/1214 of 23 June 2023 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

⁴ Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

⁵ Council of the European Union. (2025). *Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

Dimension	Effectiveness driver	Structural constraint
Exit manageability	Divestment derogations recognise the need for orderly withdrawal from Russia and reduce the risk of stranded Union assets	Authorisation remains discretionary and nationally administered, which can lead to uneven practice

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2023). *Council Regulation (EU) 2023/1214 of 23 June 2023 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on the following provision: Article 8a of Council Regulation (EU) No 833/2014.*
- European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it.*
- Council of the European Union. (2025). *Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

The overall conclusion is that the EU's restrictions on intellectual-property rights, trade secrets, and related technology rights should be classified as one of the most conceptually advanced elements of the current sanctions' regime. Their significance lies in the fact that they recognise intangible rights and protected knowledge not merely as private assets, but as strategic infrastructures of production, maintenance, market entry, and technological adaptation. Through the 2023 export-related bans, the 2024 contractual and registration-access measures, and the 2025 software-rights expansion, the Union has progressively constructed a sanctions field that reaches into the juridical mechanisms through which technology is owned, controlled, exploited, and reproduced. The regime remains targeted rather than absolute, because it preserves divestment derogations, exemptions for certain categories of persons, and the continued existence of pre-existing rights in defined circumstances. Even so, the direction of travel is clear: the EU now treats IP and trade-secret governance as an integral part of sanctions policy, not as a legally separate domain standing outside it. For Part Five of the present report, this is a critical finding, because it shows that the "legal sphere" of sanctions has expanded well beyond courts and asset freezes into the structured regulation of intangible power itself^{1,2,3,4}.

5.3. Long-Term Legal Resilience of Sanctions

5.3.1. Conditions of Legal Resilience: Clarity, Precision, and Update Capacity

Long-term legal resilience in the sanctions' context should be understood as the capacity of a restrictive-measures regime to remain lawful, intelligible, operable, reviewable, and adaptable over an extended

¹ Council of the European Union. (2023). *Council Regulation (EU) 2023/1214 of 23 June 2023 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

² Council of the European Union. (2024). *Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

³ Council of the European Union. (2025). *Council Regulation (EU) 2025/2033 of 23 October 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*

⁴ European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it.*

period without losing either coercive force or constitutional defensibility. In the EU context, that concept is especially important because the Russia regime is no longer a short-cycle emergency reaction. It has become a dense and cumulative body of law composed of multiple regulations, decisions, annexes, guidance instruments, review mechanisms, and enforcement layers. A sanctions regime of that scale cannot remain effective merely through political will. It must also remain sufficiently clear for operators to apply, sufficiently precise for courts to defend, and sufficiently updateable for institutions to respond to circumvention and changing conflict dynamics. The official Council position that EU sanctions are targeted, proportionate, temporary in nature, and regularly reviewed is therefore not just descriptive rhetoric. It is one of the Union's statements of what resilience is supposed to mean in legal terms. The present subsection proceeds on the basis that clarity, precision, and update capacity are not ancillary virtues of the regime, but the core conditions of its long-duration survival^{1,2}.

The first of those conditions is clarity. In a sanctions system that imposes obligations on banks, exporters, insurers, technology firms, registries, lawyers, notaries, carriers, and competent authorities across the Union, a legally ambiguous rule can rapidly produce fragmentation, over-compliance, under-enforcement, or both at once. Clarity matters because sanctions law is not applied only by judges after the fact. It is applied every day by private and public actors who must decide in real time whether an asset can be released, whether a transaction is lawful, whether a service falls within an exception, or whether an indirect benefit risk is too high to proceed. The more durable the regime becomes, the more costly legal obscurity becomes. Unclear sanctions rules do not merely create technical inconvenience; they erode confidence in the regime and increase the likelihood of defensive non-performance beyond what the law actually requires. That, in turn, can generate proportionality problems and political backlash. For a sanctions regime intended to last through repeated package updates and possible litigation cycles, clarity is therefore a condition of social and institutional usability as much as of doctrinal coherence^{3,4}.

The EU's sanctions framework contains an important structural advantage in this respect: its legal architecture is itself relatively clear at the constitutional level. The Union's sanctions system rests on a recognised two-step structure in which CFSP decisions define the Union position and regulations give that position direct legal effect in the internal legal order. The Council's official explanation of the sanctions process shows a clearly articulated institutional pipeline through preparatory bodies, Coreper II, Council adoption, and publication in the Official Journal. This matters for resilience because a legally sustainable regime needs a visible and repeatable production chain, not merely ad hoc political announcements. Clarity at the source level makes later interpretative disputes easier to manage because operators know which acts have binding force and through which institutional procedure they emerged. It also reduces the risk that sanctions policy will appear arbitrary or institutionally improvised. In this respect, the EU's multi-step adoption procedure is not bureaucratic surplus. It is one of the regime's long-term stabilisers^{5,6}.

A second stabilising element is the EU's explicit insistence that sanctions are targeted, proportionate, and temporary, and that they are regularly reviewed. The Council's current Russia sanctions page states this in direct terms and links the temporary nature of measures to the Union's ability to calibrate, ease, or end them if the policy objectives or meaningful steps toward those objectives are achieved. This proposition has legal significance beyond politics. It frames the regime not as an open-ended state of exceptional restriction, but as a conditional legal instrument whose continued existence depends on review and policy assessment. That built-in temporality is a resilience factor because it supports proportionality and helps the Union defend the sanctions system as reversible and rule-bound rather

¹ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*

² European Union. (2024). *General framework for EU sanctions*.

³ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

⁴ European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁵ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

⁶ Council of the European Union. (2025). *The EU sanctions process explained*.

than confiscatory or permanent by default. It also gives institutions a formal basis for amendment rather than forcing them to choose between static continuity and total repeal. A sanction that can be reviewed and recalibrated is more likely to survive judicial, political, and compliance stress than one drafted as an indefinite absolute¹.

Precision is the next key condition, and it should be distinguished from mere clarity. A rule can be easy to read and still be drafted too broadly, too vaguely, or too bluntly to remain durable in practice. Precision in the sanctions field means that the norm identifies its addressees, conduct, exceptions, and temporal or functional limits with enough specificity to guide behaviour and survive review. The Russia regime has increasingly moved in that direction. The consolidated versions of Regulation 833/2014 and Regulation 269/2014 currently accessible through EUR-Lex are dated 16 January 2026 and 15 December 2025 respectively, while the corresponding core CFSP decisions have also continued to be updated. Those dates matter because they illustrate the continuity of a stable legal backbone combined with repeated fine-grained amendment. Precision here does not mean immobility. It means that the basic acts remain identifiable and continuous even as their content is progressively refined^{2,3}.

This is one reason why update capacity should not be confused with legal instability. The Russia regime has expanded through nineteen packages as of October 2025, yet it has done so largely by inserting new restrictions, annexes, derogations, review clauses, and anti-circumvention devices into an already recognisable legal framework. The Council's current sanctions page states that 19 packages have been adopted so far, and the packages timeline shows how new measures have been layered into the regime in 2024 and 2025 without replacing the basic 2014 framework. That pattern is itself a resilience asset. It allows the Union to react to new methods of evasion or new strategic sectors without requiring a full legal redesign each time. A system that can absorb amendment without losing its identity is more resilient than one that must be rebuilt from zero whenever the target adapts. In that sense, update capacity is best seen as the regime's ability to evolve incrementally but coherently^{4,5}.

The package history of 2025 is especially instructive on this point. On 24 February 2025, the Union adopted the 16th package, which targeted banks using SPFS, shadow-fleet vessels, media outlets, software, and further entities and persons. On 20 May 2025, the 17th package broadened pressure on the shadow fleet and Russia's military and industrial complex, while the Council also linked that package to broader measures on hybrid threats and human-rights violations under other sanctions regimes. On 18 July 2025, the 18th package introduced further energy, banking, software, and transaction restrictions, including a full transaction ban on Nord Stream 1 and 2. On 23 October 2025, the 19th package targeted Russian energy, third-country banks, crypto providers, and diplomatic-movement regulation, and the Council stated explicitly that the package would not be the last. This sequence shows not only persistence, but legal adaptability across new sectors and circumvention techniques^{6,7,8,9}.

Long-term resilience, however, requires more than package adoption. It also requires interpretative maintenance. This is where the Commission's guidance system becomes crucial. The Commission's sanctions FAQ page explains that it maintains a consolidated body of implementation guidance for the Russia and Belarus measures, and the consolidated version page shows that the latest compiled FAQ version was issued on 23 January 2026. The dedicated guidance-documents page also provides RSS

¹ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

² European Union. (2026). *EU restrictive measures in view of Russia's invasion of Ukraine*.

³ European Union. (2026). *Consolidated text: Council Regulation (EU) No 833/2014*; European Union. (2025). *Consolidated text: Council Regulation (EU) No 269/2014*.

⁴ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

⁵ Council of the European Union. (2026). *Timeline – packages of sanctions against Russia since February 2022*.

⁶ Council of the European Union. (2025). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

⁷ Council of the European Union. (2025). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁸ Council of the European Union. (2025). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*.

⁹ Council of the European Union. (2025). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

feeds so operators can track updates across topics. This is an underappreciated feature of legal resilience. A sanctions regime remains durable not only because its formal law exists, but because institutions continue to translate that law into operationally usable form. In the EU case, the guidance layer functions as a structured interpretative feedback loop between the legislator, competent authorities, and the regulated community^{1,2,3}.

The services field gives a concrete example of how interpretative maintenance supports resilience. The Commission's dedicated page for Article 5n shows that the services FAQ was updated on 22 January 2026, well after the legal advisory restrictions had been litigated and after multiple package updates had altered the sanctions environment. The existence of such a recent update demonstrates that the Union is not leaving complex service bans to static legislative text alone. Instead, it continues to refine operational interpretation in response to new questions and factual situations. That matters because service restrictions are among the areas most vulnerable to over-compliance, under-compliance, and procedural-rights objections. A regime that updates guidance at this level is better equipped to preserve both coercive force and legal intelligibility over time. Update capacity, in other words, is partly legislative and partly interpretative^{4,5}.

Table 5.3.1-1. Core conditions of long-term legal resilience in the EU sanctions regime against Russia

Condition	Main content	Why it matters for resilience	Main official anchors
Clarity of legal architecture	Clear institutional chain from CFSP decision to binding regulation and OJ publication	Reduces ambiguity about legal force, hierarchy, and addressees	Article 29 TEU / Article 215 TFEU architecture; Council sanctions process explanations
Precision of drafting	Defined addressees, conduct, exceptions, annex logic, and review clauses	Supports foreseeability, proportionality, and enforceability	Regulations 833/2014 and 269/2014 in consolidated current versions
Regular review and temporality	Measures are targeted, proportionate, temporary, and recalibratable	Makes long-duration sanctions easier to defend legally and politically	Council Russia sanctions page
Update capacity through packages	New packages insert targeted adaptations without replacing the basic regime	Allows reaction to circumvention and new sectors while preserving continuity	16th–19th package timeline and press releases
Interpretative maintenance	FAQs, topic-specific guidance, consolidated documents, RSS updates	Keeps the regime operational for firms, authorities, and courts	Commission FAQs and guidance pages
Judicial correction	Review of reasons, factual substantiation, legal certainty, Charter constraints	Prevents drift into arbitrary or opaque coercion	Rosneft, ACE, NSD, and related case-law
Enforcement harmonisation	Minimum criminal-law rules for violation of restrictive measures	Improves credibility and reduces divergence in serious breach handling	Directive (EU) 2024/1226

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.
- Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

¹ European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

² European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ European Commission. (2026). *Guidance documents*.

⁴ European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014*.

⁵ European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

- Council of the European Union. (2026). *Timeline — packages of sanctions against Russia since February 2022*.
- European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2026). *Guidance documents*.
- European Union. (2026). *Consolidated text: Council Regulation (EU) No 833/2014*.
- European Union. (2025). *Consolidated text: Council Regulation (EU) No 269/2014*.

Judicial review is another indispensable condition of resilience because it forces the regime to maintain precision under pressure. If restrictive measures are to survive long cycles of challenge, they must remain capable of being explained, evidenced, and defended before courts. The General Court's recent case-law on Russia-related listings is significant in this respect. In the 2024 judgment accessible under Case T-363/22, the Court reiterated that judicial review entails verification of the factual allegations in the summary of reasons underpinning the decision, with the consequence that review extends not merely to abstract plausibility but to evidentiary substantiation. This is a demanding standard, but it is also a resilience factor. A sanctions regime that can survive because its factual predicates are reviewable is much more durable than one that depends solely on broad political discretion. Judicial review thus acts as a quality-control mechanism for precision¹.

The Rosneft judgment remains central to the resilience question because it addresses the relationship between legal certainty and evolving sanctions technique. The Court held that the principles of legal certainty and *nulla poena sine lege certa* do not preclude Member States from imposing penalties for infringements of Article 3 and 3a of Regulation 833/2014 even though those provisions are not exhaustively defined by the regulation itself. The key point is not that precision is unimportant, but that EU law tolerates a degree of gradual clarification so long as the meaning of the norm is sufficiently foreseeable. This is highly relevant for long-term sanctions. A regime facing adaptive circumvention cannot be drafted with total ex ante completeness. Rosneft shows that legal resilience is compatible with structured interpretative development, provided that operators are not confronted with genuinely unforeseeable penalty exposure. In other words, the Court accepted foreseeable clarification, not open-ended vagueness².

The significance of Rosneft for the present subsection is that it provides a judicial theory of resilience appropriate to sanctions law. Sanctions regimes must evolve as targets change behaviour, routes, technologies, and legal tactics. If the law required perfect anticipatory specificity on every point, the regime would become either ineffective or impossibly cumbersome. Rosneft instead suggests a more realistic model: rules must be clear enough to be foreseeable and precise enough to be applied without arbitrariness, but they may still be clarified through practice and case-law. That model supports the Union's current combination of basic regulations, amending packages, guidance documents, and judicial interpretation. It also helps explain why update capacity and legal certainty are not opposites in the sanctions field. Properly managed, they are complementary. The more predictable the process of clarification becomes, the more resilient the regime is likely to be^{3,4}.

The 2024 ACE-Avocats litigation illustrates another dimension of precision: the need to distinguish prohibited support from protected procedural access. The case title itself highlights the right to be advised by a lawyer and Articles 47 and 52(2) of the Charter in the context of the prohibition on legal advisory services to the Russian Government and Russia-established entities. What this shows for resilience purposes is that the EU's legal sustainability depends on the quality of its internal carve-outs. A sanctions rule can remain robust if it is paired with clearly identifiable exceptions that preserve core procedural guarantees. The Union's choice to prohibit non-contentious legal advisory services while

¹ General Court of the European Union. (2024). *Restrictive measures adopted in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (Case T-363/22)*.

² Court of Justice of the European Union. (2017). *PJSC Rosneft Oil Company v Her Majesty's Treasury and Others (Case C-72/15)*.

³ Ibid.

⁴ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

preserving access to judicial and arbitral representation is one example of that technique. ACE therefore demonstrates that precision is not only about narrowing prohibitions; it is also about drawing defensible boundaries between coercion and constitutional minimums. In a long-duration sanctions regime, such calibrated boundaries are essential¹.

The NSD case points to the same conclusion from a different angle. The 2024 judgment in Case T-494/22 specifically referred to Article 6(1) of Regulation 269/2014 and noted that national authorities may authorise the release of certain frozen funds or economic resources in defined circumstances. This is important because it shows that the durability of asset freezes depends not on absolute severity, but on the intelligibility and controllability of derogations. A regime without operative derogations quickly becomes disproportionate or commercially chaotic. A regime with excessively loose derogations loses coercive force. NSD illustrates the middle model: the law remains restrictive, but it is paired with administrable exceptions capable of preserving proportionality. In resilience terms, this is a precision dividend rather than a weakness².

Enforcement capacity is another part of legal resilience, and here Directive (EU) 2024/1226 is particularly important. The directive establishes minimum rules concerning criminal offences and penalties for the violation of Union restrictive measures, and the EUR-Lex summary states that it had to be transposed into national law by 20 May 2025, with application from the same date. This is a major resilience enhancement because long-term sanctions weaken when serious breaches are handled with radically divergent national seriousness. By creating a common minimum baseline for criminalisation, the EU reduces one of the classic vulnerabilities of sanctions systems: fragmented enforcement. The directive does not centralise all enforcement, but it raises the floor. In a mature sanctions' regime, clarity of substantive obligations must be matched by some clarity and seriousness on the consequences of breach. Otherwise, legal resilience remains only formal^{3,4}.

The enforcement directive also matters because it helps convert update capacity into credible effect. As the package history of 2025 shows, the Union continued adding new tools addressing SPFS-linked institutions, crypto providers, shadow-fleet logistics, software, Nord Stream transactions, and other evolving circumvention vectors. A regime that can innovate legislatively but cannot enforce serious violations of those innovations remains strategically fragile. Directive 2024/1226 addresses that gap by supplying common minimum rules in an area that had previously depended more heavily on Member State variation. From a resilience perspective, this means that update capacity is no longer only the ability to legislate new prohibitions. It increasingly includes the ability to harden the enforcement follow-through of those prohibitions. That makes the regime not only more expansive, but more coherent over time^{5,6,7}.

What the package practice of 2025 further demonstrates is that update capacity must be selective, not merely cumulative. The 16th package focused heavily on SPFS, shadow-fleet vessels, and sanction circumvention through financial and propaganda infrastructures. The 17th package concentrated on military technology and energy revenue through further targeting of the shadow fleet and related actors. The 18th package deepened pressure in energy, banking, software, and trade, including the Nord Stream transaction ban and banking-sector software restrictions. The 19th package then moved into crypto, third-country banks, and diplomatic-movement regulation. This is not random expansion. It shows a sanctions regime attempting to follow the shifting operational geography of evasion and support. Legal

¹ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

² General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

³ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

⁴ European Parliament and Council of the European Union. (2024). *Directive (EU) 2024/1226 of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁵ Council of the European Union. (2025). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

⁶ Council of the European Union. (2025). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*.

⁷ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

resilience therefore depends not just on the existence of amendment tools, but on institutions being able to prioritise new legal interventions without dissolving the coherence of the underlying framework^{1,2,3}.

At the same time, there is a real risk that a highly updateable regime becomes too complex for its own good. The more layers of package amendments, annexes, guidance notes, and cross-references accumulate, the greater the burden on operators and authorities trying to identify the current legal position. EUR-Lex itself partly acknowledges this by stressing, in the consolidated texts, that the consolidated versions are meant purely as documentation tools and have no legal effect, while the authentic versions remain those published in the Official Journal. That distinction is legally sound, but operationally it reveals a tension. The regime depends on consolidation for usability, yet legal certainty ultimately rests on the authentic amending acts and official texts. This means that clarity in a mature sanctions' regime is always partly mediated through documentation and institutional curation. If that curation weakens, complexity becomes a resilience risk^{4,5,6}.

That complexity problem is magnified by the fact that the Russia sanctions field is no longer one regime in the narrow sense, but an ecosystem of interlinked measures covering the core Ukraine framework, hybrid-threat sanctions, human-rights measures, support sanctions against Belarus, Iran, and North Korea, and sector-specific guidance across finance, energy, services, IP, and anti-circumvention. The Council's timeline page explicitly notes, for example, that the 17th package formed part of a broader set of measures also targeting hybrid activities, domestic human-rights violations, and riot-control agents under other sanctions regimes. From one perspective, that cross-regime layering is a strength because it increases strategic flexibility. From another, it raises the legal-compliance burden and can blur the boundary between framework-specific and ecosystem-wide obligations. Long-term resilience therefore requires not only the capacity to add measures, but also the capacity to keep the boundaries among measures cognitively manageable. Otherwise, legal density may begin to undermine legal usability^{7,8}.

Table 5.3.1-2. Main resilience drivers and erosion risks in the legal architecture of EU sanctions against Russia

Dimension	Resilience driver	Erosion risk
Normative clarity	Stable constitutional and procedural chain from CFSP decision to regulation	Dense amendments and cross-references can reduce readability for operators
Precision	Narrower drafting, carve-outs, derogations, and annex logic support foreseeability	Over-breadth or poorly delimited indirect-benefit tests may generate over-compliance
Judicial defensibility	Courts require substantiated reasons and preserve Charter-compatible boundaries	Repeated litigation can expose drafting weaknesses or evidentiary thinness
Update capacity	Packages 16–19 show the regime can react quickly to new sectors and circumvention routes	Excessive package layering may create a fragmented and hard-to-navigate legal environment
Interpretative maintenance	FAQs, guidance documents, and regular updates sustain operational usability	Heavy dependence on soft-law interpretation may reveal tension between law-on-the-books and law-in-use
Enforcement coherence	Directive 2024/1226 strengthens minimum criminal-law follow-through	National variation in implementation and institutional capacity may persist

¹ Council of the European Union. (2025). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

² Council of the European Union. (2025). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*.

³ Council of the European Union. (2025). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

⁴ European Union. (2026). *EU restrictive measures in view of Russia's invasion of Ukraine*.

⁵ European Union. (2025). *Consolidated text: Council Regulation (EU) No 833/2014*.

⁶ European Union. (2025). *Consolidated text: Council Decision 2014/145/CFSP*.

⁷ Council of the European Union. (2026). *Timeline — packages of sanctions against Russia since February 2022*.

⁸ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

Dimension	Resilience driver	Erosion risk
Documentary usability	Consolidated texts make the regime navigable in practice	Consolidated texts have documentary value only, requiring continued attention to authentic OJ acts

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.
- Council of the European Union. (2026). *Timeline — packages of sanctions against Russia since February 2022*.
- European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2026). *Guidance documents*.
- European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.
- European Union. (2025). *Consolidated text: Council Regulation (EU) No 833/2014*.

When the different elements are brought together, a clearer picture emerges of what legal resilience actually requires in the Russia sanctions regime. It requires stable basic acts but also amendable annexes and sectoral provisions. It requires courts that discipline arbitrariness without depriving institutions of the capacity to react to fast-changing conflict conditions. It requires guidance that translates legislation into compliance practice, while not replacing the legislation itself. It requires enforcement harmonisation strong enough to deter serious breach, but not so blunt that it undermines foreseeability. Above all, it requires a legal culture in which amendment is treated as a normal method of preservation rather than as evidence that the regime was defective from the start. In the EU's current practice, that culture is visible in the package cycle, the guidance cycle, and the litigation cycle operating together^{1,2,3}.

The analytical conclusion of this subsection is therefore straightforward. The long-term legal resilience of EU sanctions against Russia depends less on the abstract severity of the measures than on the quality of their legal engineering. Clarity is needed so the regime can be understood and applied across the Union's multi-level enforcement environment. Precision is needed so that restrictions remain reviewable, proportionate, and resistant to both under-inclusion and overreach. Update capacity is needed so that the regime can keep pace with circumvention, technological change, and the widening legal battlefield of the war. The evidence from 2024–2026 shows that the EU has built substantial resilience on all three axes, particularly through repeated package adaptation, updated guidance, judicially enforced evidentiary discipline, and the new criminal-law layer introduced by Directive 2024/1226. Yet the same evidence also shows that complexity and interpretative burden are becoming structural risks. The regime is resilient, but it remains resilient only so long as clarity, precision, and update capacity continue to be actively maintained rather than merely assumed^{4,5,6,7}.

5.3.2. Judicial Defensibility and Litigation Pressure

Judicial defensibility is one of the decisive criteria of long-term sanctions resilience because a restrictive-measures regime that cannot survive sustained review before courts will, over time, lose both coercive credibility and normative legitimacy. In the EU context, this issue is particularly acute because sanctions against Russia are not administered in a purely executive field insulated from adjudication.

¹ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

² Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

³ European Commission. (2026). *Guidance documents*; Court of Justice of the European Union. (2017). *PJSC Rosneft Oil Company v Her Majesty's Treasury and Others (Case C-72/15)*.

⁴ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

⁵ Council of the European Union. (2026). *Timeline — packages of sanctions against Russia since February 2022*.

⁶ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

⁷ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

They are embedded in a constitutional order that requires reviewability, reason-giving, evidentiary discipline, and respect for fundamental rights. At the same time, the Union has deliberately built a sanctions framework that is expected to evolve through repeated amendments, changing annexes, and new anti-circumvention techniques. That creates structural litigation pressure. Every new criterion, new sectoral restriction, new reporting duty, or new procedural carve-out increases the chances that the regime will be tested in Luxembourg. The analytical question is therefore not whether litigation is an incidental by-product of sanctions. It is whether the EU has built a system capable of absorbing litigation pressure without losing legal coherence or operational force. In the Russian case, the evidence strongly suggests that judicial defensibility has become one of the regime's principal mechanisms of self-stabilisation^{1,2}.

The scale of litigation pressure is not hypothetical. In its official review of judicial activity for 2024, the Court of Justice of the European Union noted that the sanctions intensified by the EU in response to Russia's actions against Ukraine had already generated dozens of cases before the General Court. The same institutional review stressed that those cases illustrated the effort to reconcile the rigour necessary for sanctions effectiveness with the protection of individual rights. That observation is highly significant for the present subsection. It means that, at the level of the Union's own judicial institutions, Russia sanctions are already understood as a sustained and high-volume litigation field rather than a set of occasional challenges. The same review also recorded an average duration of proceedings before the General Court of 18.5 months in 2024, while emphasising that the Court is capable of reacting more rapidly where circumstances require. This is relevant because litigation pressure does not threaten resilience only through adverse judgments. It also tests whether the judicial system can process complex sanctions disputes with sufficient speed to keep legal review meaningful in a fast-moving sanctions environment³.

A first condition of judicial defensibility is that the sanctions regime must be reviewable in principle and not shielded from meaningful judicial scrutiny by the political character of the Common Foreign and Security Policy. The classic authority here remains *Kadi*, where the Court of Justice held that the Courts of the European Union must ensure, in principle, the full review of the lawfulness of Union acts in the light of the fundamental rights forming an integral part of the EU legal order. Although *Kadi* did not concern the Russia regime, its constitutional significance for all later restrictive-measures litigation is unavoidable. The judgment confirmed that sanctions are not constitution-free instruments of foreign policy. They are Union acts that must withstand scrutiny as to rights of the defence, effective judicial protection, proportionality, the right to property, and the obligation to state reasons. That principle is one of the basic pillars of long-term resilience. A sanctions system can remain durable only if courts accept its legitimacy as a reviewable legal structure rather than a political black box. The EU's sanctions architecture against Russia has benefited from being developed under that post-*Kadi* paradigm rather than outside it⁴.

However, judicial defensibility in the sanctions field does not mean that all parts of the regime are reviewed in the same way or with the same intensity. The distinction drawn in *Bank Melli Iran v Council* remains instructive. According to the EUR-Lex summary of that judgment, so far as the general rules defining the procedures for giving effect to restrictive measures are concerned, the Council enjoys a broad discretion as to what to take into consideration. Judicial review in that area is therefore not equivalent to a complete substitution of judicial policy assessment for institutional foreign-policy judgment. Rather, the courts examine legality, procedure, manifest error, the duty to state reasons, and the factual basis in a structured but not unlimited manner. This distinction matters greatly for the Russia regime. It means that the legal durability of broad sectoral or framework rules rests partly on the courts' recognition that the Council must retain room to define and adjust coercive strategy. At the same time,

¹ European Union. (2024). *General framework for EU sanctions*.

² Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

³ Court of Justice of the European Union. (2025). *Judicial activity 2024*.

⁴ Court of Justice of the European Union. (2013). *European Commission and Others v Yassin Abdullah Kadi (Joined Cases C-584/10 P, C-593/10 P and C-595/10 P)*.

that discretion is not unbounded. It remains conditioned by the very standards that allow the regime to survive review¹.

The Russia-specific constitutional anchor for this balance is Rosneft. In that case, the Court of Justice addressed the validity of provisions of Decision 2014/512/CFSP and Regulation 833/2014 and confirmed that the Court has jurisdiction to review the legality of restrictive measures against natural or legal persons within the framework of the CFSP. The judgment also explicitly addressed the obligation to state reasons and the principles of legal certainty and *nulla poena sine lege certa* in the context of the Russia sanctions regime. This is a core resilience judgment because it rejected the idea that the political sensitivity of Russia sanctions placed them outside structured judicial control. At the same time, Rosneft confirmed that the legal certainty principle does not prohibit the gradual clarification of norms through interpretation and application. That point is essential in a long-term sanctions' regime. It means that update capacity and legal certainty can coexist, provided the rules remain sufficiently foreseeable and judicially intelligible².

Rosneft is especially important because it gives a judicial account of why sanctions law cannot be measured against an unrealistic standard of total ex ante completeness. The Court's reasoning on legal certainty recognises that, in a field shaped by rapidly changing geopolitical and commercial behaviour, norms will sometimes require judicial and administrative clarification. That does not mean vague rules are acceptable. It means that the law may be sufficiently certain even where its margins are progressively refined through case-law and interpretation. This logic is highly relevant to the Russian sanctions regime as it has evolved since 2022. New package measures on software, SPFS, shadow-fleet logistics, legal advisory services, anti-suit injunctions, and intellectual-property rights have often required just such clarification. A resilient regime is therefore not a regime without interpretative development. It is a regime in which that development remains bounded by foreseeability, reason-giving, and reviewability. Rosneft provides the doctrinal bridge for that proposition^{3,4}.

A second indispensable component of judicial defensibility is the obligation to state reasons. This is not a formal nicety. In the sanctions field, it is one of the core mechanisms through which the regime remains legally contestable and therefore constitutionally sustainable. The titles of recent Russia sanctions cases show how recurrent this issue is across very different kinds of measures. It appears in *SBK Art OOO v Council*, in *NKO AO National Settlement Depository (NSD) v Council*, in *MegaFon v Council*, in *Euro Asia Cargo v Council*, and in other recent Russia-related challenges. The recurrence of the ground itself is revealing. It indicates that, as the sanctions regime becomes denser and more heterogeneous, the burden on the Council to explain why a given person, entity, or body is included, maintained, or otherwise targeted remains under continuous pressure. A regime that failed to internalise that pressure would quickly become vulnerable to annulment or narrowing by the courts^{5,6,7,8}.

The most direct recent expression of the evidentiary standard appears in the General Court's 2024 judgment in Case T-363/22. As reflected in the case metadata and in the discussion of the judgment, the Court emphasised that judicial review of restrictive measures cannot be reduced to an abstract assessment of the cogency of the Council's reasons. Rather, the review must verify whether the factual allegations in the summary of reasons are substantiated, at least where one sufficient reason is capable of independently justifying the measure. This is a very demanding standard, and it is a major reason why the Russia sanctions regime has had to develop more carefully formulated statements of reasons and more robust documentary files over time. Yet this pressure is not purely negative. It is also a source of

¹ General Court of the European Union. (2009). *Bank Melli Iran v Council of the European Union (Case T-390/08)*.

² Court of Justice of the European Union. (2017). *PJSC Rosneft Oil Company v Her Majesty's Treasury and Others (Case C-72/15)*.

³ Ibid.

⁴ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

⁵ General Court of the European Union. (2025). *SBK Art OOO v Council of the European Union (Case T-102/23)*.

⁶ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

⁷ General Court of the European Union. (2025). *MegaFon OAO v Council of the European Union (Case T-193/23)*.

⁸ General Court of the European Union. (2026). *Euro Asia Cargo Private Ltd v Council of the European Union (Case T-232/24)*.

resilience. Because the Council knows that bare association or formulaic accusation will not necessarily survive review, the system is pushed toward greater discipline in both drafting and evidentiary assembly¹.

Closely linked to the duty to state reasons are the rights of the defence and the right to effective judicial protection. Here, Kadi remains foundational, but the principle continues to animate Russia-related litigation. The Court of Justice in Kadi held that the person concerned must be able to ascertain the reasons on which the decision is based, submit observations, and challenge the measure effectively before a court. Those requirements remain central to the defensibility of Russia sanctions because the more far-reaching and prolonged the measures become, the more important it is that listed persons and targeted entities can understand the basis on which they were designated or maintained. Without that possibility, litigation pressure would not diminish; it would merely become more destructive because the courts would be forced to correct a structurally opaque regime. The EU has avoided that outcome precisely by insisting that sanctions remain embedded in a reviewable reasons-and-remedies structure^{2,3}.

At the same time, the courts have accepted that those rights do not always require a prior hearing before initial inclusion on a sanctions list. The 2025 Curia press release on MegaFon v Council is particularly clear on this point. It states that the General Court rejected MegaFon's arguments on the rights of the defence and noted that the Council was under no obligation to hear MegaFon before including it on the relevant list, because such a step would have precluded the element of surprise ensuring the effectiveness of inclusion. The same press release explains that where the extension of restrictive measures was based on the same grounds, the Council had no obligation to inform MegaFon of its intention to maintain the company's name on the list. This is a crucial doctrinal compromise. It allows the sanctions system to preserve operational effectiveness while still remaining subject to *ex post* judicial control. In resilience terms, that balance is essential. A regime that required prior adversarial procedure in every inclusion case would lose coercive immediacy; a regime with no *ex post* review would lose legal legitimacy⁴.

The judgment in NSD v Council illustrates another form of judicial balancing relevant to long-term resilience: the handling of third-party effects and proportionality. In its official press release, Curia explained that the General Court confirmed the restrictive measures adopted against NSD, finding that the undertaking played a systemically important role in the functioning of Russia's financial system and therefore provided materially and financially significant support to the Russian Government. At the same time, the Court addressed the argument that the measures affected the property rights of NSD's customers who were not themselves subject to sanctions. The press release notes that the Court recalled that NSD could not rely on a right to property that it did not itself hold, but that national authorities implementing derogations must ensure compliance with Article 52 of the Charter when dealing with customers' assets, and that such customers have remedies before national courts. This is a good example of how judicial defensibility can be maintained without collapsing the regime into either maximal severity or unmanageable exception. The Union courts upheld the measure while pushing the proportionality filter partly into national implementation and judicial protection⁵.

The legal advisory services litigation gives a different but equally important picture of sanctions resilience under judicial pressure. In the official press release on ACE-Avocats, ensemble v Council, the General Court confirmed that the prohibition on providing legal advisory services to the Russian

¹ General Court of the European Union. (2024). *Restrictive measures adopted in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (Case T-363/22)*.

² Court of Justice of the European Union. (2013). *European Commission and Others v Yassin Abdullah Kadi (Joined Cases C-584/10 P, C-593/10 P and C-595/10 P)*.

³ General Court of the European Union. (2024). *Restrictive measures adopted in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (Case T-363/22)*.

⁴ General Court of the European Union. (2025). *MegaFon OAO v Council of the European Union (Case T-193/23)*.

⁵ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

Government and entities established in Russia is valid, while simultaneously emphasising the fundamental right of all persons to be advised by a lawyer for the purposes of conducting, pre-empting, or anticipating judicial proceedings. The Court stated that the prohibition does not concern legal advisory services linked with judicial proceedings and therefore does not call the right in question into question. This is analytically significant because it shows the courts accepting a sanctions measure that interferes with a sensitive professional field, but only because the measure was drafted with constitutionally significant exceptions and exemptions. The lesson for long-term resilience is clear: the more intrusive the sanction, the more important it is that the rule itself contains clearly defensible boundaries preserving core procedural guarantees. ACE thus shows judicial defensibility being produced through internal legal calibration, not through judicial passivity¹.

The same dynamic appears in *A2B Connect and Others v Council*, but this time in relation to broad sectoral restrictions affecting media transmission and associated advertising. The 2025 judgment shows the applicants alleging, among other things, infringement of freedom of expression and information under Article 11 of the Charter. The Court recalled that respect for fundamental rights is required of all Union action, including the implementation through regulations under Article 215 TFEU of CFSP decisions. At the same time, it held that the relevant restrictions could satisfy the conditions of Article 52(1) of the Charter, including legality, preservation of the essence of the right, pursuit of a general-interest objective, and proportionality. The judgment further noted that the measures targeted only a limited number of media outlets and did not prevent the applicants from providing access to all other content. This is important for the present subsection because it demonstrates that the EU can defend even broad, content-related sectoral measures if the legal basis is clear, the objective is compelling, and the interference is tightly justified².

A2B Connect is also valuable because it shows that judicial defensibility extends beyond individual listings. Much of the public debate around sanctions litigation focuses on listed persons and freezing measures, but the Russia regime now includes many forms of broad prohibitions directed at sectors, media channels, trade flows, software, or service categories. Those measures generate a different kind of litigation pressure because the applicants are often intermediaries, platforms, operators, or commercial actors who argue that their own rights are interfered with by rules aimed at a wider strategic objective. The Court's reasoning in A2B Connect suggests that such rules can remain defensible where the Council demonstrates a strong general-interest aim, uses a sufficiently clear legal basis, and confines the interference to what is necessary. For long-term resilience, that matters enormously. It means that the sanctions regime does not depend only on surviving listing challenges; it must also survive broader regulatory challenges, and the courts have shown a willingness to sustain such measures where the architecture is sufficiently disciplined^{3,4}.

Litigation pressure also grows when the Union adds new compliance obligations rather than only freezing or transaction bans. The 2024 judgments in *Fridman and Others v Council* and *Timchenko and Timchenko v Council* are important precisely because they concerned the obligation to report funds or economic resources, the obligation to cooperate with the competent national authority, and participation in activities the object or effect of which is to circumvent restrictive measures under Article 9(2) and (3) of Regulation 269/2014. These cases show that the judicial front has moved beyond classical designation issues toward the legality and proportionality of the compliance architecture surrounding the freeze itself. The official judicial-activity review of 2024 states that the General Court confirmed those reporting and cooperation duties and rejected challenges arguing that the Council had exercised criminal powers reserved to the Member States, finding that the measures were not criminal in nature and remained consistent with the EU legal framework. This is a major resilience point. It means that the

¹ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

² General Court of the European Union. (2025). *A2B Connect BV and Others v Council of the European Union (Case T-307/22)*.

³ Ibid.

⁴ Court of Justice of the European Union. (2025). *Judicial activity 2024*.

courts have accepted a broader anti-circumvention and disclosure infrastructure as part of the sanctions regime rather than treating it as an impermissible penalty regime in disguise^{1,2,3}.

The significance of those cases increased further when the Timchenko litigation moved to the Court of Justice. The Timchenko litigation also moved to the Court of Justice at appellate level, illustrating that reporting and anti-circumvention obligations under Regulation 269/2014 are now generating second-instance judicial scrutiny. Even without entering into every doctrinal detail of that judgment, the procedural fact itself is analytically significant. It shows that new compliance obligations within the Russia regime are now generating second-instance judicial scrutiny at the highest level. This is what long-term litigation pressure looks like in practice: not just isolated annulment actions, but continued appellate testing of how far the Council can go in structuring anti-circumvention and reporting duties around the freeze mechanism. A regime that survives such appellate pressure is more likely to remain durable in the medium term^{4,5}.

Table 5.3.2-1. Core judicial tests shaping the long-term defensibility of EU sanctions against Russia

Judicial test	Core legal content	Relevance for long-term resilience	Illustrative authorities
Full review in principle	Sanctions remain subject to review in light of fundamental rights	Prevents the sanctions field from becoming constitutionally exceptional	<i>Kadi</i>
Broad discretion for general rules	Council retains a broad margin in designing general restrictive-measures procedures	Allows strategic sanction design without judicial substitution of policy judgment	<i>Bank Melli Iran v Council</i>
Legal certainty with gradual clarification	Rules must be foreseeable but may be progressively clarified through interpretation	Makes update capacity compatible with legality	<i>Rosneft</i>
Duty to state reasons	Council must identify the actual and specific reasons for the measure	Supports challengeability and improves drafting discipline	<i>T-363/22, SBK Art, Euro Asia Cargo</i>
Substantiated factual basis	Courts verify whether factual allegations in the summary of reasons are substantiated	Forces evidentiary discipline in listings and maintenance decisions	<i>T-363/22</i>
Rights of the defence	Targeted persons must be able to understand and contest the measure effectively	Preserves legitimacy under prolonged sanctions	<i>Kadi, MegaFon, ACE</i>
Proportionality and Charter review	Interference with rights must remain appropriate and necessary in light of the objective pursued	Maintains constitutional sustainability of both listing-based and sectoral measures	<i>NSD, ACE, A2B Connect</i>

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Court of Justice of the European Union. (2013). *European Commission and Others v Yassin Abdullah Kadi* (Joined Cases C-584/10 P, C-593/10 P and C-595/10 P).
- General Court of the European Union. (2009). *Bank Melli Iran v Council of the European Union* (Case T-390/08).
- Court of Justice of the European Union. (2017). *PJSC Rosneft Oil Company v Her Majesty's Treasury and Others* (Case C-72/15).

¹ General Court of the European Union. (2024). *Mikhail Fridman and Others v Council of the European Union* (Case T-635/22).

² General Court of the European Union. (2024). *Gennady Nikolayevich Timchenko and Elena Petrovna Timchenko v Council of the European Union* (Case T-644/22).

³ Court of Justice of the European Union. (2025). *Judicial activity 2024*.

⁴ Court of Justice of the European Union. (2025). *Gennady Nikolayevich Timchenko and Elena Petrovna Timchenko v Council of the European Union* (Case C-805/24 P).

⁵ General Court of the European Union. (2024). *Gennady Nikolayevich Timchenko and Elena Petrovna Timchenko v Council of the European Union* (Case T-644/22).

- General Court of the European Union. (2024). *Restrictive measures adopted in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (Case T-363/22)*.
- General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.
- General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.
- General Court of the European Union. (2025). *A2B Connect BV and Others v Council of the European Union (Case T-307/22)*.

Recent case flow also shows that litigation pressure is becoming more variegated, not less. The Official Journal entries and case metadata for 2025–2026 show challenges concerning the concept of “association” in *SBK Art OOO v Council*, the concept of “benefitting from Russian decision-makers or from the Government of the Russian Federation” in *Rotenberg v Council*, and the inclusion and maintenance of an entity in Annex IV to Regulation 833/2014 and Decision 2014/512 in *Euro Asia Cargo v Council*. This matters because it demonstrates that judicial pressure is spreading across multiple doctrinal fronts: individual association criteria, benefit-based criteria, sectoral entity listings, dual-use restrictions, procedural rights, and proportionality. In other words, the courts are not testing one narrow legal hinge of the Russia regime. They are testing the regime’s full doctrinal perimeter. That makes the regime more exposed, but also more mature. A sanctions system that continues to function under such diversified litigation pressure has likely developed deeper internal coherence than one facing only repetitive challenges on a single ground^{1,2,3}.

The same is true procedurally. Litigation pressure no longer ends with General Court judgments. It increasingly continues through appeals to the Court of Justice. EUR-Lex records, e.g., that Case C-452/25 P was brought on 9 July 2025 by SBK Art OOO against the General Court’s judgment of 30 April 2025 in Case T-102/23. That procedural continuation is significant in itself, because it means that the Union’s sanctions architecture must be defensible not only at first instance but also on points of law before the Court of Justice. Over time, that kind of appellate pressure will shape more stable doctrines on association, reasons, evidence, proportionality, and procedural rights. It also indicates that the sanctions field is becoming a mature appellate jurisprudence area, not merely a stream of isolated first-instance disputes. From the standpoint of resilience, this is double-edged. Appeals increase pressure and prolong uncertainty, but they also generate clearer precedent^{4,5}.

For that reason, litigation pressure should not be viewed only as a threat to sanctions policy. It also acts as a feedback mechanism for legal quality. Repeated challenges force the Council to sharpen listing criteria, specify the legal basis more clearly, strengthen summaries of reasons, document factual support more carefully, and construct derogations or exceptions with greater discipline. The movement from broad formulations to more precise targeting in several areas of the Russia regime, including anti-suit injunctions, legal advisory restrictions, and IP-related controls, is consistent with that wider pattern of pressure-induced refinement. Courts do not write sanctions policy for the Council, but they do influence its legal engineering by policing the margins of acceptable coercion. Long-term resilience therefore depends on the Union’s willingness to learn from litigation rather than merely to defend against it. A regime that treats adverse arguments as information can become stronger over time, even when it occasionally loses on a specific point^{6,7}.

¹ General Court of the European Union. (2025). *SBK Art OOO v Council of the European Union (Case T-102/23)*.

² General Court of the European Union. (2025). *Igor Rotenberg v Council of the European Union (Case T-268/24)*.

³ General Court of the European Union. (2026). *Euro Asia Cargo Private Ltd v Council of the European Union (Case T-232/24)*.

⁴ Court of Justice of the European Union. (2025). *Case C-452/25 P: Appeal brought on 9 July 2025 by SBK Art OOO against the judgment of the General Court in Case T-102/23, SBK Art v Council*.

⁵ General Court of the European Union. (2025). *SBK Art OOO v Council of the European Union (Case T-102/23)*.

⁶ Court of Justice of the European Union. (2013). *European Commission and Others v Yassin Abdullah Kadi (Joined Cases C-584/10 P, C-593/10 P and C-595/10 P)*.

⁷ Court of Justice of the European Union. (2017). *PJSC Rosneft Oil Company v Her Majesty’s Treasury and Others (Case C-72/15)*; Court of Justice of the European Union. (2025). *Judicial activity 2024*.

Table 5.3.2-2. Main channels through which litigation pressure affects the resilience of EU sanctions against Russia

Channel of pressure	How it operates	Possible negative effect	Possible resilience-enhancing effect
Annulment actions against listings	Challenges to inclusion, maintenance, reasons, evidence, proportionality	Risk of annulment or narrowing of criteria	Improves evidentiary discipline and drafting quality
Challenges to sectoral prohibitions	Operators contest competence, Charter compatibility, proportionality	Risk of undermining wider regulatory measures	Clarifies the constitutional boundaries of sectoral sanctions
Appeals to the Court of Justice	First-instance judgments tested on points of law	Prolongs uncertainty and keeps pressure alive	Produces more stable precedent for future packages
Rights-of-defence litigation	Applicants contest communication, hearing, and procedural fairness	Can expose opaque or formulaic Council practice	Encourages better notification and clearer statements of reasons
Proportionality litigation	Applicants argue excessive interference with property, business, expression, or legal services	Raises political and judicial sensitivity around overreach	Forces the regime to preserve targetedness, derogations, and constitutional balance
Anti-circumvention / reporting litigation	Challenges to disclosure, cooperation, and best-efforts obligations	Could narrow compliance architecture if poorly designed	Confirms the legality of broader compliance-support mechanisms when carefully drafted

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Court of Justice of the European Union. (2025). *Judicial activity 2024*.
- General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.
- General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.
- General Court of the European Union. (2025). *A2B Connect BV and Others v Council of the European Union (Case T-307/22)*.
- Court of Justice of the European Union. (2025). *Case C-452/25 P: Appeal brought on 9 July 2025 by SBK Art OOO against the judgment of the General Court in Case T-102/23, SBK Art v Council*.
- Court of Justice of the European Union. (2025). *Gennady Nikolayevich Timchenko and Elena Petrovna Timchenko v Council of the European Union (Case C-805/24 P)*.

The overall conclusion is that the EU sanctions' regime against Russia has so far shown a substantial degree of judicial defensibility, but that defensibility is the product of constant legal labour rather than automatic institutional deference. The courts have accepted broad Council discretion in designing general restrictive-measures frameworks, yet they have also insisted on real reasons, substantiated facts, reviewable criteria, and Charter-compatible limits. They have upheld significant measures affecting funds, services, media transmission, and anti-circumvention obligations, but they have done so by reading the regime as one that preserves core procedural and proportionality safeguards. At the same time, litigation pressure is not diminishing. The General Court itself recognises that the Russia sanctions field has already generated dozens of cases, and the movement of some disputes into appeal confirms that a second doctrinal layer is now developing. For long-term resilience, this means that the Union cannot rely on political consensus alone. It must continue to defend sanctions through precision,

evidence, procedural fairness, and calibrated rights-balancing. The Russia regime remains judicially durable precisely to the extent that it remains legally disciplined under pressure^{1,2,3,4}.

5.3.3. Enforcement Convergence, Over-Compliance, and Private-Law Frictions

The long-term legal resilience of the EU sanctions regime against Russia depends not only on the substantive content of prohibitions, but also on the degree to which those prohibitions are applied in a sufficiently convergent manner across the Union, without excessive private over-reaction and without uncontrolled destabilisation of private-law relations. In a multi-level legal order such as the EU, sanctions are never enforced by a single central authority alone. They are translated into operative reality by national competent authorities, national courts, financial institutions, professional intermediaries, registries, transport actors, notaries, corporate service providers, and private firms conducting sanctions-sensitive due diligence. That institutional structure gives the regime scale and reach, but it also creates friction. A sanctions system may be well drafted in Brussels or Luxembourg yet still become unstable if national implementation diverges sharply, if private actors respond with systematic de-risking that exceeds what the law actually requires, or if ordinary contractual and regulatory relationships become unmanageable under the pressure of sanctions. The proper focus of this subsection is therefore not merely enforcement in the criminal or administrative sense. It is the broader question of whether the Union can sustain a sufficiently convergent, proportionate, and legally manageable implementation ecology over time^{5,6}.

A first structural point is that EU sanctions are formally Union acts, but their implementation remains deeply decentralised. The Council explains that sanctions decisions and regulations are adopted at EU level and apply within the jurisdiction of the Union, while the practical effect of those rules depends on the conduct of the Member States and of all persons and entities falling under EU jurisdiction. This arrangement is neither accidental nor temporary. It is part of the constitutional design of the sanctions system. In practical terms, that means the regime's effectiveness depends on how consistently Member States designate competent authorities, interpret derogations, exchange information, impose penalties, and supervise compliance. It also means that the quality of the regime cannot be judged solely by the text of a regulation. Long-term resilience requires a sufficient degree of enforcement convergence across twenty-seven national administrative and judicial environments^{7,8}.

The Council's EU Best Practices for the effective implementation of restrictive measures, updated in July 2024, are especially important in this respect. The document states that it is intended to remain under constant review, that it contains non-exhaustive recommendations for effective implementation, and that it is meant to support implementation in accordance with Union and national law. The same text emphasises that the RELEX/Sanctions formation has a mandate to develop best practices among Member States and that the document seeks to identify key elements of implementation in light of the current state of practice and Member State priorities. This is highly relevant to long-term resilience. It means the Union has recognised that legislative text alone is not enough and that convergence must be supported through shared administrative understanding. The Best Practices document is therefore a convergence instrument even though it is not legally binding in itself⁹.

The content of those Best Practices confirms their bridging role between legislation and implementation. The document devotes substantial sections to the legislative framework, the role of economic operators

¹ Court of Justice of the European Union. (2025). *Judicial activity 2024*.

² Court of Justice of the European Union. (2013). *European Commission and Others v Yassin Abdullah Kadi (Joined Cases C-584/10 P, C-593/10 P and C-595/10 P)*.

³ Court of Justice of the European Union. (2017). *PJSC Rosneft Oil Company v Her Majesty's Treasury and Others (Case C-72/15)*;

⁴ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

⁵ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

⁶ Council of the European Union. (2026). *EU sanctions against Russia explained*.

⁷ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

⁸ Council of the European Union. (2026). *EU sanctions against Russia explained*.

⁹ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

and citizens, ownership and control, derogations, use of information by competent authorities, coordination and cooperation, and national effectiveness review. It also states that Member States should endeavour to have in place appropriate national procedures to evaluate the effectiveness of national performance regarding restrictive measures, taking into account, among other things, results from dialogue with the private sector. This is a crucial point for the present subsection. It shows that the Union itself treats enforcement convergence not as a passive by-product of formal law, but as a continuing administrative task requiring structured feedback, national evaluation, and engagement with private actors. A sanctions regime designed for years rather than weeks cannot remain resilient without exactly that type of iterative convergence work¹.

The Commission's consolidated FAQs perform a similar function from a different institutional angle. The consolidated document states expressly that it is a working document drafted by the Commission services to give guidance to national authorities, EU operators, and citizens for the implementation and interpretation of Regulations 833/2014 and 269/2014, and that it is intended to help achieve the uniform application of sanctions across the EU, while noting that only the Court of Justice is competent to interpret EU law. This formulation is of major significance. It shows that the Commission is consciously positioning the FAQ system as an implementation-convergence device while also acknowledging the constitutional limit of soft-law interpretation. In other words, the Commission is not claiming to replace judicial authority. It is trying to reduce the space within which national authorities and private actors might otherwise drift apart in day-to-day practice. That is one of the central conditions of long-term sanctions durability².

The need for such convergence tools is itself evidence of the complexity of the regime. The consolidated FAQ covers horizontal issues, circumvention and due diligence, execution of contracts and claims, best efforts, individual financial measures, and multiple sector-specific topics. In a short-lived sanctions episode, such a dense interpretative apparatus might look excessive. In a long-duration regime, however, it is a sign that institutions are trying to keep a fragmented implementation environment from drifting too far apart. From a resilience perspective, the crucial point is not that guidance exists, but that it is repeatedly updated and designed to operate across Member State authorities and private actors simultaneously. This is especially important in areas such as indirect benefit, corporate control, legal services, IP-related rights, and best-efforts duties, where formal compliance can easily diverge from functional compliance^{3,4}.

A further major development in convergence is the new criminal-law layer introduced by Directive (EU) 2024/1226. The official EUR-Lex summary states that the directive defines criminal offences and penalties for violations of Union restrictive measures and thereby establishes minimum rules across the Member States. This development is critical because it addresses one of the classic structural weaknesses of EU sanctions: the existence of Union-level prohibitions combined with widely varying national approaches to serious violations. By introducing minimum rules on offences and penalties, the directive does not eliminate all national variation, but it narrows the acceptable range of divergence. In practical terms, it strengthens the argument that serious circumvention or deliberate breach should not be treated with radically different levels of legal seriousness depending on the Member State concerned. For long-term resilience, that is a substantial improvement in enforcement convergence^{5,6}.

Even so, the existence of harmonising tools does not mean that enforcement convergence has been achieved once and for all. The very need for Best Practices, consolidated FAQs, topic-specific guidance,

¹ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

² European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ Ibid.

⁴ European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁵ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

⁶ Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures.

and a criminal-law directive indicates that the sanctions system remains exposed to divergence pressures. This is a structural feature of the regime, not a temporary defect. Different competent authorities must assess ownership and control, indirect benefit, best efforts, the scope of derogations, and the interaction between sanctions law and domestic procedural law in concrete cases. National courts likewise remain involved when third-party rights, contract performance, or the legality of implementing acts are at issue. The realistic objective for 2026–2030 is therefore not perfect uniformity, but controlled convergence. The resilience of the regime will depend on whether the Union can keep divergence within legally tolerable bounds^{1,2,3}.

This brings us to the problem of over-compliance, which should be treated as a genuine resilience issue rather than a merely commercial irritation. Over-compliance occurs when private actors, faced with legal uncertainty, enforcement risk, or reputational concern, withdraw from conduct that is still lawful, licensable, or in principle outside the true scope of a prohibition. The Commission does not usually frame the issue in those exact terms, but the need for detailed clarification in the FAQs and the discussion of “firewalls” in the consolidated guidance strongly suggest that the institutions are aware of the risk of excessive de-risking. The consolidated FAQ notes that several instances had been brought to the Commission’s attention where there was a need to remove control by designated persons over non-designated EU entities and their assets, including several in the agrifood sector. That kind of guidance response points to a real implementation problem: private and public actors alike may treat sanctions exposure too broadly when factual control structures are complex. Over-compliance therefore threatens legal resilience by making the regime appear less targeted and less proportionate than it is on paper⁴.

The asset-freeze field is the clearest example of this pressure. The Commission’s asset-freeze FAQ states that only persons and entities listed in Annex I to Regulation 269/2014 are directly targeted by sanctions. It adds that if an entity is neither owned nor controlled by a listed person, the entity as such is in principle not affected by the asset freeze or by the prohibition on making funds or economic resources available to it. At the same time, the same FAQ immediately warns that it cannot be ruled out that funds or economic resources might still be made indirectly available to a listed person through that entity, so the assessment must be conducted on a case-by-case basis. This combination of targetedness and indirect-benefit risk is legally sophisticated, but it is also operationally demanding. It creates exactly the kind of environment in which banks, counterparties, and professional intermediaries may decide that the cheapest risk-management strategy is simply to decline participation altogether⁵.

A very similar dynamic exists in the services field. The Commission’s Article 5n FAQ explains that EU operators cannot use outsourced services to provide prohibited services indirectly to Russian legal entities, and that entities established in the EU, including subsidiaries of Russian companies, are prohibited from providing the listed services or software directly or indirectly to the Government of Russia or to entities established in Russia. These clarifications are entirely consistent with the anti-circumvention logic of the sanctions’ regime. Yet they also increase the interpretative burden on private actors, because they require assessments of indirect provision, benefit flow, corporate structure, and service character. The more such assessments depend on granular fact patterns, the greater the temptation for firms to avoid borderline situations altogether. Thus, over-compliance is not only a problem of excessive caution by banks. It is also a structural response to the complexity of indirect-service prohibitions and anti-circumvention duties⁶.

¹ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

² European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

³ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

⁴ Ibid.

⁵ European Commission. (2024). *Frequently asked questions on asset freezes following sanctions adopted in view of Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

⁶ European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia’s military aggression against Ukraine (Article 5n of Council Regulation (EU) No 833/2014)*.

Table 5.3.3-1. Main convergence mechanisms and over-compliance pressure points in the EU sanctions' regime

Dimension	Convergence mechanism	Why it supports resilience	Over-compliance pressure point
Institutional implementation	Union regulations applied through Member States and EU jurisdiction-wide obligations	Gives the regime operational reach across the whole Union	National and private practice may diverge in risk assessment
Administrative coordination	<i>EU Best Practices for the effective implementation of restrictive measures</i>	Encourages shared implementation approaches and national evaluation of effectiveness	Best practices are non-binding and depend on uptake
Interpretative support	Consolidated Commission FAQs and topic-specific guidance	Promotes more uniform application by authorities and operators	Heavy reliance on guidance can reflect underlying legal complexity
Criminal-law enforcement	Directive (EU) 2024/1226	Narrows divergence in the treatment of serious violations	National transposition and enforcement cultures may still vary
Asset-freeze application	Case-by-case ownership/control and indirect-benefit analysis	Keeps the regime targeted rather than indiscriminately expansive	Complexity encourages defensive de-risking
Services restrictions	Clarified rules on indirect provision and intra-group service flows	Reduces opportunities for circumvention through outsourcing or corporate chains	Borderline scenarios may chill lawful or licensable conduct

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.
- European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.
- European Commission. (2024). *Frequently asked questions on asset freezes following sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2026). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine (Article 5n of Council Regulation (EU) No 833/2014)*.

The third element of this subsection is private-law friction. This concept refers to the tensions that arise when public sanctions rules disrupt ordinary contractual, property, licensing, data-sharing, payment, and dispute-resolution relations among private or quasi-private actors. In a mature sanctions' regime, such frictions are unavoidable. The legal question is whether they are canalised and managed in ways that preserve the targeted logic of the regime, or whether they spill over into broad commercial paralysis. The EU's answer has been to build a set of liability shields, no-claims rules, derogations, reporting duties, and clarifications designed to stabilise private-law relations under sanctions pressure. This is a crucial part of long-term resilience because a sanctions regime that cannot manage private-law consequences will eventually lose support even among compliant actors^{1,2}.

Two legal devices are especially important here: liability shields and no-claims clauses. The EUR-Lex material for Regulation 269/2014 shows that Article 10 protects persons who freeze funds or refuse to make funds or economic resources available in good faith, while Article 11 bars certain claims

¹ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

² Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.

connected with contracts or transactions whose performance has been affected by the sanctions. The corresponding material for Regulation 833/2014 likewise states that no claims in connection with any contract or transaction whose performance has been affected, directly or indirectly, in whole or in part, by the measures imposed under that regulation are to be satisfied. These rules are not ancillary. They are central to the private-law resilience of the sanctions' regime. Without them, compliant operators would remain exposed to a large volume of civil and commercial pressure from sanctioned counterparties seeking damages, payment, performance, or compensation for frustrated transactions^{1,2}.

Those provisions perform a very specific systemic function. They ensure that the public-law choice to interrupt or restrict economic relations is not silently neutralised through private-law remedies. If a bank, custodian, notary, supplier, licensor, or registry could be sued successfully by a sanctioned party for complying with EU law, the sanctions regime would become internally contradictory. The no-claims and liability rules therefore shield the sanctions system from being hollowed out by contract law, tort law, or unjust-enrichment claims. At the same time, because these provisions operate only in relation to sanctions-affected contracts or transactions and are tied to good-faith or defined claimant categories, they are more targeted than a general immunity would be. That narrow but robust design is one of the principal reasons why the private-law side of the sanctions' regime remains manageable^{3,4,5}.

A concrete illustration of private-law friction under sanctions appears in the Commission's REACH-related FAQ of July 2024. The document explains that a designated data owner, or a company owned or controlled by a designated person, remains obliged to enter mandatory data-sharing negotiations under REACH, but cannot receive financial benefits from those negotiations while designated. It adds that the costs due to the designated data owner could be kept in an escrow account until the designation ends, and that if the designated company is non-cooperative or insists on payment, the potential registrant may indicate to ECHA that agreement is not reachable due to the asset freeze, after which ECHA may decide whether to grant access to the studies. This is an exceptionally useful example for the present subsection. It shows how sanctions interact with regulatory private-law frameworks in a way that neither abolishes the underlying legal duty nor permits ordinary financial settlement. Instead, the regime creates a modified legal environment in which escrow, administrative intervention, and conditional continuation replace normal bilateral performance⁶.

This REACH example reveals something broader about the sanctions regime's long-term evolution. Private-law friction is not limited to commercial contracts in the narrow sense. It extends into data-sharing duties, regulatory cooperation, access to studies, licensing relations, and other hybrid public-private legal settings. The sanctions regime therefore needs tools capable of handling partial legal continuity: the underlying legal relationship often remains, but the normal financial or proprietary logic of that relationship is interrupted. Escrow structures, derogations, no-claims rules, and administrative substitutes are all techniques through which the EU tries to preserve legal operability without sacrificing the restrictive effect of the measure. The more long-term the sanctions become; the more important such techniques will be. Otherwise, sanctions law would create cumulative blockages in adjacent regulatory systems^{7,8}.

The NSD litigation adds another important dimension, namely the relationship between private-law frictions and derogation practice. In the 11 September 2024 judgment, as summarised in the Curia

¹ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

² Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

³ Ibid.

⁴ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

⁵ Court of Justice of the European Union. (2017). *PJSC Rosneft Oil Company v Her Majesty's Treasury and Others (Case C-72/15)*.

⁶ European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on REACH-related issues*.

⁷ Ibid.

⁸ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

digest, the General Court recalled that where the applicant did not challenge the lawfulness of the derogation itself but rather the lawfulness of measures taken by national authorities in implementing it, the General Court lacked jurisdiction under Article 263 TFEU to examine the legality of those national implementing acts. This is significant because it confirms that some of the most acute private-law and third-party frictions generated by sanctions are displaced into the sphere of national administration and litigation. The Union-level regime provides the freeze, the derogation logic, and the Charter-compatible framework, but many concrete rights adjustments occur at national level. For resilience purposes, this means that enforcement convergence and private-law manageability are inseparable. If national authorities implement derogations too divergently or too rigidly, private-law friction becomes a structural weakness in the sanctions' regime itself^{1,2}.

What follows from all of this is that enforcement convergence, over-compliance, and private-law frictions are not separate problems. They are three facets of the same implementation challenge. Weak convergence increases uncertainty; uncertainty increases over-compliance; over-compliance and legal interruption intensify private-law frictions; and growing private-law frictions then create political and judicial pressure for further clarification or reform. Conversely, stronger convergence through Best Practices, FAQs, criminal-law harmonisation, and more disciplined derogation practice can reduce excessive caution and make private-law adaptation more manageable. The legal resilience of the sanctions regime therefore depends on the Union's ability to keep these three dimensions in balance. It is not enough to legislate new prohibitions. The regime must also continue to govern the implementation environment in which those prohibitions live^{3,4,5}.

Table 5.3.3-2. Main private-law frictions and legal stabilisers in the EU sanctions' regime

Field of friction	Nature of the legal problem	Stabilising technique in the sanctions' regime	Main resilience effect
Contract performance	Contracts become partially or wholly non-performable because sanctions block payment, delivery, transfer, or services	No-claims clauses in Regulations 269/2014 and 833/2014	Prevents sanctions compliance from being undone through civil claims
Liability exposure	Banks, custodians, and other intermediaries' risk being sued for freezing or refusing performance	Good-faith liability shields	Protects compliant conduct and preserves implementation willingness
Asset-freeze derogations	Third-party rights and continuing obligations require selective release or management of frozen assets	National derogation mechanisms under Union rules	Preserves proportionality and targetedness without dissolving the freeze
Regulatory private-law settings	Sectoral legal obligations continue to apply but financial settlement is blocked by sanctions	Escrow mechanisms, administrative substitutes, and case-by-case regulatory handling	Keeps adjacent regulatory systems operable under sanctions pressure
Corporate-control uncertainty	Non-designated entities may be linked to designated persons through ownership or control	Case-by-case control analysis and "firewall" approaches	Reduces the risk of either circumvention or indiscriminate blocking
Services and professional support	Borderlines between prohibited support and lawful representation or exempt conduct create withdrawal incentives	Detailed FAQs and carve-outs	Limits unnecessary legal paralysis while preserving coercive effect

Authorship: analytical framework (this report) was prepared by the author.

¹ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

² Court of Justice of the European Union. (2024). *Monthly Case-Law Digest September 2024*.

³ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

⁴ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁵ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

Sources:

- Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.*
- Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.*
- European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on REACH-related issues.*
- European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22).*

The overall conclusion is that the long-term resilience of EU sanctions against Russia depends as much on the quality of implementation ecology as on the legal force of the prohibitions themselves. Enforcement convergence matters because the regime is decentralised and technically complex. Over-compliance matters because legal ambiguity or intense risk sensitivity can make the regime appear broader and more disruptive than its text actually requires. Private-law frictions matter because sanctions do not operate in a vacuum. They intervene in a dense web of contracts, rights, duties, and regulatory relationships that must be stabilised if the system is to remain sustainable. The Union has already developed a substantial toolbox for that purpose: Best Practices, consolidated and sectoral FAQs, minimum criminal-law harmonisation, liability shields, no-claims clauses, derogation mechanisms, and sector-specific accommodations such as escrow-type solutions. However, the very need for such tools shows that resilience here is not automatic. It is an ongoing project of legal coordination, interpretative discipline, and calibrated containment of private-law spillover^{1,2,3,4}.

5.3.4. 2026–2030 Outlook: Stability Factors, Erosion Risks, and Adjustment Triggers

The legal outlook for the EU sanctions regime against Russia in 2026–2030 should not be framed as a simple question of whether the sanctions will continue or end. The more precise question is whether the regime can remain legally stable, administratively operable, judicially defensible, and strategically updateable over a further medium-term cycle. As of 10 March 2026, the available official evidence suggests that the regime retains a strong formal basis for continuity: the core sectoral economic sanctions are currently extended until 31 July 2026, the individual territorial-integrity listings are prolonged until 15 March 2026, and the Crimea/Sevastopol restrictions were renewed until 23 June 2026. These rolling renewal cycles indicate that the Union continues to treat sanctions not as one-off reactions, but as a maintained legal architecture subject to periodic recalibration rather than automatic expiry. In analytical terms, this strongly supports the view that the 2026–2030 horizon should be understood as a phase of managed legal endurance, not temporary aftershock. The decisive issue is therefore not nominal survival, but the conditions under which survival remains effective and legitimate^{5,6,7,8}.

¹ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures.*

² European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

³ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures.*

⁴ European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on REACH-related issues.*

⁵ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions.*

⁶ Council of the European Union. (2025). *Russia's war of aggression against Ukraine: Council extends economic sanctions for a further 6 months.*

⁷ Council of the European Union. (2025). *Russia's war of aggression against Ukraine: EU individual sanctions over territorial integrity prolonged for a further six months.*

⁸ Council of the European Union. (2025). *Russia's illegal annexation of Crimea and the city of Sevastopol: EU renews restrictive measures until 23 June 2026.*

The first major stability factor is the regime's modular renewal structure. The Russia sanctions system is not governed by a single sunset clause but by overlapping review cycles applying to sectoral economic measures, individual designations, Crimea-related restrictions, hybrid-threat measures, and associated country-support regimes. The official sanctions timeline shows, for example, that in October 2025 the Council prolonged the restrictive measures in view of Russia's destabilising activities until 9 October 2026, while in September 2025 it prolonged the territorial-integrity listings until 15 March 2026. This multi-track renewal logic has two advantages. First, it prevents the whole regime from becoming hostage to a single binary renewal decision. Secondly, it allows the Union to adjust different legal clusters at different speeds depending on strategic need, litigation exposure, and circumvention developments. For the 2026–2030 outlook, this modularity is likely to remain one of the regime's most important legal stabilisers^{1,2}.

A second stability factor is the continued existence of a recognisable legal backbone. Despite the adoption of nineteen packages by October 2025, the EU has preserved the centrality of the same foundational architecture: the sanctions continue to operate through the long-running basic acts, especially Regulation 833/2014 and Regulation 269/2014, while new packages function primarily as amendments, annex updates, and selective insertions. This continuity matters because legal resilience depends not only on the ability to add new measures, but on the ability to do so without dissolving the identity and legibility of the regime itself. The Commission's sanctions page still presents the system as a set of legal obligations addressed to all individuals, organisations, and bodies under EU jurisdiction, thereby emphasising continuity of normative force across successive updates. On the basis of the available official material, it is reasonable to infer that the Union will continue to prefer incremental legal thickening over wholesale legislative replacement in the 2026–2030 period. That is a resilience-enhancing pattern because it preserves accumulated jurisprudence, compliance experience, and administrative routines^{3,4}.

A third stability factor is the regime's now-proven update capacity through packages. The 2025 sequence is particularly revealing. The 16th package of 24 February 2025 targeted SPFS-linked financial channels, shadow-fleet vessels, software, and further persons and entities; the 17th package of 20 May 2025 deepened pressure on the shadow fleet and Russia's military-industrial complex; the 18th package of 18 July 2025 added major energy, banking, and software measures; and the 19th package of 23 October 2025 expanded pressure to Russian energy, additional banks, crypto providers, and diplomatic-movement regulation. This sequence suggests that the Union has not exhausted its legislative creativity. On the contrary, it has demonstrated the ability to keep identifying new legal levers as the operational geography of sanctions evasion evolves. For the 2026–2030 horizon, this implies that the regime is likely to remain legally dynamic, with further packages or equivalent updates remaining a realistic expectation rather than an exceptional event. That assessment is an inference, but it is strongly grounded in the 2024–2025 pattern of repeated adaptation documented by the Council^{5,6,7,8}.

A fourth stability factor is the increasingly dense interpretative infrastructure supporting the formal law. The Commission's sanctions portal records that the consolidated FAQ document was updated on 23 January 2026, and the topic-specific services FAQ shows a further update on 22 January 2026. The existence of a maintained guidance ecosystem is a legal asset in its own right. A long-duration sanctions regime weakens when operators no longer know whether new prohibitions, derogations, or exceptions

¹ Council of the European Union. (2026). *Timeline — EU sanctions against Russia*.

² Council of the European Union. (2025). *Statement by the High Representative on behalf of the EU on the alignment of certain countries concerning restrictive measures in view of Russia's destabilising activities*.

³ European Commission. (2026). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁴ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

⁵ Council of the European Union. (2025). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

⁶ Council of the European Union. (2025). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁷ Council of the European Union. (2025). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*.

⁸ Council of the European Union. (2025). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

have been authoritatively clarified. By contrast, a regime with regularly updated guidance preserves a working bridge between legislation and application. This matters especially for legally sensitive fields such as legal services, anti-circumvention, due diligence, and cross-border corporate structures. For 2026–2030, the continued maintenance of this guidance layer is likely to be one of the key conditions of practical endurance^{1,2}.

A fifth stability factor is the strengthening of the regime’s enforcement credibility. The official EUR-Lex summary on Directive (EU) 2024/1226 explains that the directive establishes criminal offences and penalties for violations of Union restrictive measures, thus addressing one of the classic weaknesses of multi-level sanctions systems: uneven seriousness of enforcement across jurisdictions. Even where the practical implementation of the directive will vary, the existence of a common legislative baseline significantly improves the regime’s long-term chances of survival. A sanctions regime that continues to expand substantively but does not improve its enforcement architecture will, over time, encourage calculated circumvention. A regime that combines new prohibitions with a more serious criminal-law framework is better positioned to deter systematic breach. From the standpoint of the 2026–2030 outlook, the enforcement layer is therefore likely to become more important, not less³.

A sixth stability factor lies in the Union’s growing use of anti-circumvention governance rather than mere prohibition. The Commission’s dedicated guidance on the Article 8a “best efforts” obligation was published on 22 November 2024, and later due-diligence guidance emphasised contractual prohibition of the use of intellectual-property rights or trade secrets in connection with common high priority items, together with risk-adapted stakeholder and transaction due diligence. The legal significance of this architecture is substantial. It shows that the Union is increasingly aware that long-term sanctions fail when they regulate only direct transactions while leaving downstream licensing, controlled subsidiaries, and third-country contractual chains untouched. The more sanctions become long-duration, the more resilience depends on structured anti-circumvention obligations of this kind. For the 2026–2030 period, one of the most plausible projections is that anti-circumvention duties will continue to deepen and widen. That is an inference, but it follows directly from the direction of legislative and interpretative development already visible in 2024–2025^{4,5}.

However, the same factors that support continuity also generate the first major erosion risk: legal and operational complexity. A sanctions regime that grows through packages, annexes, carve-outs, cross-references, guidance documents, and sector-specific FAQs can preserve flexibility, but it can also become difficult to navigate. The Commission’s publication structure itself reflects that challenge, with a consolidated FAQ, topic-specific FAQs, and additional guidance notes all operating alongside the authentic legal acts published in the Official Journal. This architecture is workable so long as it is actively curated. But if the density of obligations continues to increase between 2026 and 2030, complexity itself may become a source of under-compliance, over-compliance, and uneven implementation. In that sense, legal resilience carries within it a possible legal-technical self-erosion mechanism: the more updateable the regime becomes, the more vulnerable it becomes to intelligibility loss^{6,7,8}.

A second erosion risk is implementation divergence across Member States. Although the legal acts are Union-wide, many derogations, authorisations, penalties, and day-to-day compliance assessments

¹ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it.*

² European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014.*

³ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures.*

⁴ European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on the following provision: Article 8a of Council Regulation (EU) No 833/2014.*

⁵ European Commission. (2024). *Enhanced due diligence for operators manufacturing and/or trading with common high priority items.*

⁶ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it.*

⁷ European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it.*

⁸ Council of the European Union. (2025). *How the EU adopts and reviews sanctions.*

continue to depend on national competent authorities and national courts. This decentralised element is built into the sanctions architecture and cannot be eliminated without a fundamentally different constitutional design. Yet over a medium-term horizon, divergence of practice may become more visible as the regime moves further into sophisticated areas such as software rights, anti-suit decisions, best-efforts duties, and third-country licensing chains. The more technically complex the sanctions become, the more likely it is that authorities will differ in how narrowly they interpret “strict necessity”, “indirect benefit”, or “best efforts”. That does not mean the regime is structurally unsound, but it does mean that legal resilience from 2026 to 2030 will depend heavily on the Union’s ability to keep narrowing implementation variance through guidance and enforcement convergence. This is partly an inference, but it follows directly from the system’s documented multi-level structure^{1,2}.

A third erosion risk is the persistence of over-compliance and private-law friction. The Commission’s sanctions materials repeatedly reflect the need for guidance in areas where lawful derogations, exceptions, or carve-outs exist but are difficult to operationalise. The very existence of detailed FAQs on legal services, asset freezes, best efforts, and intellectual-property rights suggests that the Union is aware that private actors may respond to legal uncertainty by withdrawing even from transactions or services that remain legally possible. In the medium term, that behaviour can produce two different problems. It can undermine the regime’s claim to proportionality, and it can also create pressure from businesses and professionals who are formally compliant but economically paralysed by ambiguity. Thus, one of the regime’s real long-term vulnerabilities is not only evasion by sanctioned actors, but defensive excess by compliant actors. This is another reason why clarity and guidance remain central to resilience^{3,4}.

A fourth erosion risk is the target’s continuing adaptation through third countries, shadow logistics, alternative payment channels, and digital assets. The official Council materials on the 19th package are explicit that the Union had to react to Russia’s increasing use of crypto in circumvention, to shadow-fleet transport, and to additional banks and third-country financial channels. This is highly relevant for the 2026–2030 outlook because it shows that circumvention is not a residual problem but a driver of the legal agenda itself. The sanctions regime remains durable only to the extent that it can continue identifying and addressing new circumvention vectors. If the target’s adaptation speed begins to exceed the Union’s legislative and enforcement response speed, legal resilience may erode even if the formal regime remains intact. The medium-term outlook therefore depends not only on the text of the sanctions, but on the comparative tempo of evasion versus legal adaptation^{5,6}.

A fifth erosion risk is the gradual separation between the sanctions’ regime and adjacent non-sanctions regulatory strategies. The Council’s October 2025 position on phasing out Russian gas imports under REPowerEU is a useful example. The fact that the Union is developing a dedicated regulatory pathway to end dependency on Russian gas suggests that not every long-term pressure objective will continue to be pursued through the sanctions’ framework alone. This may be strategically sensible. But it also creates a legal-structural question for 2026–2030: will the sanctions regime remain the principal legal vehicle of pressure, or will some of its functions be displaced into sector-specific legislation? If the latter occurs, resilience will depend increasingly on coordination across legal instruments, not solely on the self-sufficiency of sanctions law. This is best understood as a medium-term adjustment challenge rather than a weakness in itself⁷.

¹ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

² European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

³ European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014*.

⁴ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

⁵ Council of the European Union. (2025). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

⁶ Council of the European Union. (2026). *Timeline – EU sanctions against Russia*.

⁷ Council of the European Union. (2025). *Council agrees its position on rules to phase out Russian gas imports under REPowerEU*.

The first major category of adjustment triggers for 2026–2030 will be litigation signals. If the General Court or the Court of Justice begins repeatedly identifying deficiencies in the same areas—e.g., in statements of reasons, evidentiary substantiation, over-broad benefit tests, or inadequately framed exceptions—then those patterns will be strong signals that legislative or drafting recalibration is needed. The judicial-activity overview for 2024 already shows that Russia sanctions have generated dozens of cases and that the courts are actively engaged in calibrating rigour and rights protection. For a mature sanctions’ regime, litigation is not just a compliance cost. It is one of the principal mechanisms by which hidden structural weaknesses become visible. Over the next several years, repeated judicial scrutiny will likely remain one of the clearest indicators of whether the regime’s legal engineering remains sustainable¹.

The second major category of adjustment triggers will be implementation and guidance stress. A rise in the number, scope, or frequency of Commission FAQs and guidance updates is not automatically a sign of weakness; it may simply reflect healthy maintenance. But if guidance increasingly has to compensate for unclear legislative drafting or to correct widespread divergent practice, that will indicate that the legal text itself may need tightening. The January 2026 consolidated FAQ and the topic-specific updates show that the Commission is already playing a very active interpretative role. Between 2026 and 2030, persistent heavy reliance on post hoc clarification could become a signal that certain parts of the regime require more explicit legislative rewording or more standardised derogation design. In this sense, the guidance ecosystem is not only a support tool. It is also a diagnostic instrument for future legal amendment^{2,3}.

The third category of adjustment triggers will be new circumvention topologies. The official package materials already show the Union responding to SPFS, shadow fleets, crypto channels, third-country banks, and software-related enablement. That pattern strongly suggests that future recalibration will be triggered not only by traditional trade flows but by hybrid legal-commercial architectures that combine services, digital assets, licensing, transport opacity, and extra-EU intermediaries. The legal system’s challenge will be to keep responding quickly enough without sacrificing precision and defensibility. The more sanctions move into software rights, anti-suit tactics, indirect service provision, and extra-territorial licensing chains, the more each new package will need to be both technically sophisticated and tightly drafted. Thus, the best predictor of future amendment may not be headlining geopolitics alone, but the emergence of new circumvention techniques that expose old legal categories as too narrow^{4,5,6}.

A fourth category of adjustment triggers will be political-legal alignment beyond the EU itself. The November and December 2025 statements on the alignment of certain third countries with relevant Council decisions show that non-member alignment continues to be treated as a meaningful part of the sanctions’ ecosystem. From a legal-resilience perspective, alignment matters because it reduces external gaps in enforcement space and broadens the de facto regulatory perimeter of the regime. If such alignment weakens over time, the legal regime may remain formally intact while losing part of its practical containment effect. Conversely, sustained or expanded alignment can reinforce resilience

¹ Court of Justice of the European Union. (2025). *Judicial activity 2024*; Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

² European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

³ European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014*.

⁴ Council of the European Union. (2025). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

⁵ European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on the following provision: Article 8a of Council Regulation (EU) No 833/2014*.

⁶ European Commission. (2024). *Enhanced due diligence for operators manufacturing and/or trading with common high priority items*.

without any textual change to the sanctions themselves. Thus, the 2026–2030 outlook should take into account not only internal EU law but also the surrounding field of partner-country legal convergence^{1,2}.

Taken together, the most plausible 2026–2030 legal outlook is neither one of simple linear expansion nor one of imminent legal exhaustion. On the evidence currently available, the EU sanctions regime appears likely to remain in force and to continue evolving, but increasingly through a pattern of selective tightening, anti-circumvention deepening, enforcement hardening, and cross-instrument coordination. The pressure points are already visible: complexity, divergent implementation, over-compliance, and the target's adaptive use of third-country channels and digital instruments. The stabilising forces are equally visible: renewal modularity, package machinery, guidance maintenance, and the stronger enforcement base provided by Directive (EU) 2024/1226. This means that the medium-term legal future of the regime is best described as durable but maintenance-intensive. Its survival is highly plausible; its quality will depend on constant legal refinement^{3,4,5}.

Table 5.3.4-1. Main stability factors of the EU sanctions regime in the 2026–2030 legal outlook

Stability factor	Why it matters	Likely effect in 2026–2030
Modular renewal cycles	Different sanction clusters are renewed on different timetables	Preserves flexibility and avoids regime-wide cliff effects
Stable legal backbone	Core sanctions continue to operate through the same basic acts	Supports continuity, compliance memory, and judicial legibility
Package update machinery	Successive packages have expanded the regime into new sectors and circumvention areas	Keeps the regime responsive to evolving evasion strategies
Commission guidance ecosystem	FAQs and topic-specific guidance are regularly updated	Sustains operational clarity and day-to-day applicability
Criminal-law enforcement baseline	Directive (EU) 2024/1226 strengthens minimum enforcement seriousness	Improves deterrence and convergence in handling serious breaches
Anti-circumvention governance	Best-efforts, due diligence, and contractual controls extend the regime downstream	Reduces the risk of formal compliance combined with substantive evasion

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.
- Council of the European Union. (2025). *Russia's war of aggression against Ukraine: Council extends economic sanctions for a further 6 months*.
- Council of the European Union. (2026). *Timeline — EU sanctions against Russia*.
- European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on the following provision: Article 8a of Council Regulation (EU) No 833/2014*.
- European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

¹ Council of the European Union. (2025). *Statement by the High Representative on behalf of the EU on the alignment of certain countries concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

² Ibid.

³ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

⁴ Council of the European Union. (2026). *Timeline — EU sanctions against Russia*.

⁵ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

Table 5.3.4-2. Main erosion risks and adjustment triggers for the EU sanctions regime in 2026–2030

Erosion risk / trigger	How it manifests	Why it matters legally
Complexity accumulation	Growing density of acts, annexes, guidance, and cross-references	Can undermine foreseeability, consistency, and operator usability
Implementation divergence	Different competent authorities and courts apply similar rules unevenly	Weakens uniformity and may erode proportionality
Over-compliance	Private actors refuse lawful transactions or services out of caution	Produces unnecessary private-law friction and legitimacy costs
New circumvention routes	Crypto, third-country banks, software rights, shadow logistics, licensing chains	Forces repeated legal recalibration and narrower drafting
Litigation patterns	Recurring challenges reveal weak drafting, thin evidence, or unstable criteria	Functions as an early warning system for legal reform
Guidance overload	Soft-law clarification increasingly compensates for legislative ambiguity	Signals that some provisions may require textual amendment
Cross-instrument fragmentation	Pressure objectives move partly into adjacent regulatory fields, such as energy phase-out rules	Requires stronger coordination between sanctions law and neighbouring legal regimes
External alignment shifts	Third-country alignment with EU decisions strengthens or weakens	Affects the practical perimeter of legal containment beyond the EU

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2026). *Timeline — EU sanctions against Russia*.
- European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- Court of Justice of the European Union. (2025). *Judicial activity 2024*.
- Council of the European Union. (2025). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.
- Council of the European Union. (2025). *Council agrees its position on rules to phase out Russian gas imports under REPowerEU*.
- Council of the European Union. (2025). *Statement by the High Representative on behalf of the EU on the alignment of certain countries concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

The final conclusion of this subsection is that the EU sanctions regime against Russia enters the 2026–2030 period with a strong legal capacity for continuation, but only on the condition of active maintenance. The regime's principal strengths are now clear: regular renewability, amendment capacity, guidance support, growing anti-circumvention sophistication, and a more serious enforcement layer. Its principal vulnerabilities are equally clear: (1) complexity, (2) implementation variance, private-law overreaction, and (3) the target's continuing adaptation through indirect and extra-EU channels. The decisive policy implication is that the future resilience of the regime will depend less on headline political resolve than on ongoing legal craftsmanship—clearer drafting where needed, better guidance where ambiguity persists, and faster adjustment where circumvention evolves. In that sense, the most realistic outlook is neither stagnation nor collapse, but a continued cycle of legally managed adaptation. For the purposes of this report, that means the sanctions regime should be treated as a durable but permanently revisable legal system whose long-term effectiveness will depend on whether the Union can preserve clarity and precision while continuing to innovate^{1,2,3}.

¹ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

² European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

5.4. Proposals for the Further Development of the Legal Sanctions Regime

5.4.1. Improving Normative Precision and Drafting Discipline

If Part Five has shown that the legal effectiveness of sanctions depends not only on the substantive range of restrictions but also on their long-term resilience under review, implementation, and circumvention pressure, then the first proposal for further development must concern normative precision and drafting discipline. In the current Russia regime, the Union has already demonstrated a high degree of legislative adaptability. The Council's official sanctions page states that 19 packages have been adopted so far and that the measures are carefully targeted, proportionate, temporary in nature, and regularly reviewed. That institutional achievement is considerable. Yet the very success of cumulative package-making has also generated a more complex regulatory environment in which operators and authorities increasingly depend on guidance, annexes, and interpretative maintenance in order to identify the current legal position. From a law-reform perspective, the implication is clear: the next phase of development should place greater emphasis not only on adding new prohibitions but on improving the internal quality, usability, and structural discipline of the legal texts themselves. In this subsection, "drafting discipline" means the systematic use of clearer definitions, more stable article architecture, tighter recital-to-rule alignment, better differentiation between prohibitions and derogations, and more transparent update techniques. These are not cosmetic improvements. They are measures aimed at increasing legal certainty, reducing over-compliance, preserving judicial defensibility, and improving the enforceability of the regime over a further medium-term cycle^{1,2}.

The need for such reform is already visible in the Union's own implementation ecosystem. The Commission's sanctions FAQ page records 63 FAQs, offers RSS alerts for updates, and states that the consolidated document contains the latest version of all FAQs published by the Commission on the implementation of the sanctions against Russia and Belarus. The separate consolidated-version page shows that the current consolidated FAQ was published and last updated on 23 January 2026. The guidance-documents page likewise offers separate RSS feeds and explains that the Commission services draft guidance to support national authorities, EU operators, and citizens in the interpretation and implementation of the relevant regulations, while also stressing that only the Court of Justice is competent to interpret EU law. These facts do not show failure; they show maintenance. However, they also indicate that the current legislative architecture has reached a level of density at which clarity increasingly depends on a large interpretative superstructure. That is a sign that the formal legal text should itself become more disciplined. The more the regime relies on post hoc clarification to preserve uniform application, the stronger the argument for upstream drafting reform^{3,4,5}.

The first proposal is therefore to adopt a more standardised drafting template for new sanctions articles and amendment packages. At present, the regime has developed through repeated insertions into a long and heavily amended basic text, especially Regulation 833/2014. That technique has preserved continuity, but it has also produced a patchwork in which operators must move constantly between prohibitions, exceptions, anti-circumvention clauses, recitals, annexes, and FAQ clarifications. A more disciplined approach would require each newly inserted article or paragraph to follow a clearer structural order: first the rule, then the addressees, then the scope of prohibited conduct, then

¹ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

² Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

³ European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁵ European Commission. (2026). *Guidance documents*.

exceptions, then derogations, then reporting or notification consequences, and finally any anti-circumvention extension. This would not alter policy substance, but it would significantly improve internal legibility. Since the Council itself explains that regulations lay down the precise scope of the measures and details for their implementation, improving the internal template of those regulations would directly strengthen legal usability. In long-duration sanctions, clarity of article architecture is itself a coercive asset because it reduces the space for both genuine confusion and opportunistic misreading^{1,2}.

The second proposal is to impose stronger terminological discipline, especially in areas where the sanctions regime already distinguishes conceptually between related but non-identical legal categories. The Council's 2024 Best Practices document is highly instructive here. It expressly states that an "exemption" refers to a use that is not prohibited by the regulations, whereas a "derogation" refers to a use that is prohibited unless authorised by a competent authority. It also explains that the words "shall", "must", and "is obliged to" refer to legal obligations, while "should" refers to best practice and "may" or "might" to suggestions depending on circumstances. These distinctions are extremely valuable. However, they should not remain only in implementation guidance. They should be reflected more systematically and uniformly in the drafting of the legal acts themselves. One of the problems of a mature sanctions' regime is that similar words may carry different consequences in different provisions if drafting discipline weakens. The Union should therefore move toward a more explicit legislative style in which exemption, derogation, authorisation, notification, and best-efforts obligations are consistently defined and used across packages³.

This recommendation is particularly important because terminological inconsistency is not a merely linguistic problem; it is a source of uneven compliance and litigation. Where a competent authority treats an exemption as if it were a derogation, lawful conduct may be delayed or blocked unnecessarily. Where an operator mistakes a best-practice recommendation for a legal obligation, over-compliance can result. Conversely, where a derogation is treated informally as if it were self-executing, under-enforcement may follow. A sanctions regime that aims to remain targeted and proportionate over several years cannot afford such avoidable ambiguity. The point is not to over-legalise every nuance, but to ensure that the legal consequences attached to key terms are clear on the face of the legislative text. This is one of the simplest and most cost-effective forms of drafting reform available to the Union. It builds directly on distinctions the Council itself has already considered important enough to codify in its implementation Best Practices^{4,5}.

The third proposal is to strengthen identifier discipline and annex drafting, especially for listings and entity-based restrictions. The Council's Best Practices state that, in order to improve effectiveness and avoid unnecessary problems caused by homonyms or near-identical names, as many specific identifiers as possible should be available at the moment of identification and published at the moment of adoption of the restrictive measure. The same document adds that after designation a constant review of identifiers should take place in order to specify and extend them, and that listing formats and identifiers should be harmonised. This is a highly valuable principle, but in a regime of the current scale it should be treated not as optional craftsmanship but as a core drafting standard. One of the most common sources of both mistaken identity and defensive over-compliance is poor or uneven identifier practice. A more disciplined annex model should therefore require fuller entity metadata, harmonised naming conventions, more consistent use of registration data and transliteration standards, and a clearer version-tracking method when annexes are updated. In long-term legal terms, precise annex drafting is as important as precise article drafting⁶.

¹ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

² Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

³ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

⁴ Ibid.

⁵ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁶ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

The fourth proposal is to improve the alignment between recitals and operative provisions. In the current regime, recitals often carry essential policy explanation and interpretative context, especially in technically novel areas such as anti-suit injunctions, no-Russia clauses, best-efforts obligations, IP-rights restrictions, or service prohibitions. That drafting style is understandable, because recitals are where the legislator explains rationale, context, and objective. However, where too much interpretative precision is left in recitals rather than being carried through into operative text, there is a risk that the norm appears broader or less determinate than the policy explanation suggests. The 2024 and 2025 development of the anti-suit injunction mechanism is a useful illustration: the move from a broader reference to Article 248 APC RF toward a more precise reference to Articles 248.1 and 248.2 showed a later-stage tightening of the operative rule itself. The lesson is general. Where the Council repeatedly needs to rely on recital language to clarify the intended scope of a restriction, future packages should consider whether the operative text itself should be correspondingly refined. That would strengthen legal certainty and reduce the interpretative burden on courts and compliance teams^{1,2}.

The fifth proposal is to adopt a more disciplined model for packaging prohibitions, exceptions, and derogations together within each regulatory cluster. One of the recurring implementation difficulties in the current regime is that the prohibition may be contained in one paragraph, an exception in another paragraph, a related derogation in a different article, and a later clarification only in guidance. This increases the risk that operators focus on the ban and miss the lawful carve-outs, or that authorities emphasise procedural control without clear textual anchoring. The litigation over legal advisory services shows why this matters. In the ACE line of cases, the General Court upheld the prohibition precisely because the regime preserved the right to effective judicial protection and because the prohibition did not concern legal advisory services provided in connection with judicial, administrative, or arbitral proceedings. That is a strong signal that precision-enhancing drafting should keep constitutional carve-outs close to the relevant prohibition rather than leaving them too dispersed. In long-term sanctions, constitutional durability often depends not only on what is prohibited, but on how clearly the protected space around the prohibition is drafted³.

The sixth proposal concerns anti-circumvention drafting, which should move toward more structured and transparent legal design. Over the last two years, the Union has increasingly relied on “best efforts”, due-diligence expectations, contractual no-Russia clauses, and indirect-benefit analysis in order to capture conduct that formal prohibitions alone would miss. This evolution is strategically necessary. Yet the more the regime moves away from simple direct bans and toward effect-based anti-circumvention rules, the greater the need for disciplined drafting. The proposal here is not to weaken anti-circumvention law, but to require that such rules identify more clearly the conduct expected, the factual indicators that matter, and the relationship between mandatory due diligence and merely recommended risk mitigation. The Commission’s Article 8a guidance is useful because it already shows the Union trying to explain these matters in operational terms. The next step should be to translate the most recurrent guidance-based distinctions into more explicit legislative drafting, so that anti-circumvention rules remain forceful without becoming structurally opaque^{4,5}.

This reform is particularly important because anti-circumvention law is where precision and enforceability most often come into tension. If the legal formulation is too narrow, operators can redesign the transaction chain and escape the rule. If it is too open-ended, lawful actors may not be able to tell where routine commercial risk ends and sanctionable circumvention begins. The Union should therefore consider requiring, for major anti-circumvention provisions, a more standardised legislative accompaniment: a list of non-exhaustive objective indicators, a statement of the relevance of control

¹ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

² Council of the European Union. (2026). *Timeline — EU sanctions against Russia*.

³ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

⁴ European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on the following provision: Article 8a of Council Regulation (EU) No 833/2014*.

⁵ European Commission. (2024). *Enhanced due diligence for operators manufacturing and/or trading with common high priority items*.

and benefit, and where appropriate a reference to due-diligence expectations calibrated to risk. This would not remove the need for guidance, but it would make the law itself more intelligible. It would also strengthen the criminal-law follow-through of Directive (EU) 2024/1226, because enforcement becomes more defensible when the underlying obligation is more sharply formulated. In the medium term, disciplined anti-circumvention drafting is likely to be one of the main determinants of whether the sanctions regime remains both adaptable and judicially sustainable^{1,2}.

The seventh proposal is to institutionalise more explicit Charter-sensitive drafting for rights-sensitive restrictions. The ACE judgment is again instructive: the General Court upheld the legal advisory services restriction precisely because the prohibition did not concern advice linked with judicial, administrative, or arbitral proceedings and because the fundamental right to be advised by a lawyer for the purposes of conducting, pre-empting, or anticipating judicial proceedings was preserved. The NSD judgment adds a related lesson: the national authorities implementing restrictive measures must ensure that interference with the property rights of affected customers complies with Article 52 of the Charter. MegaFon likewise confirms that prior hearing is not always required, because surprise may be necessary for effectiveness, but that the measure must still remain proportionate and justified by a fundamental public-interest objective. Taken together, these cases support a clear drafting recommendation. Where the Union legislates in especially rights-sensitive fields, the relevant regulation should state more directly what protected procedural or property-related space remains, rather than relying too heavily on later judicial extraction of that balance^{3,4,5}.

A disciplined approach to rights-sensitive drafting would have at least three advantages. First, it would reduce the risk of over-compliance by making it more visible to operators when access to justice, basic needs, pre-existing adjudicated claims, or national implementation review must still be preserved. Secondly, it would improve judicial defensibility because courts are more likely to uphold intrusive restrictions when the legal text itself contains coherent safeguards. Thirdly, it would reduce dependence on scattered recitals and later FAQs to establish the minimum constitutionally protected perimeter of a measure. This is especially important in the current regime, where service bans, anti-suit measures, transaction bans, media-related restrictions, and IP-related controls increasingly interact with fundamental-rights arguments. Drafting discipline should therefore include a more systematic practice of placing the rights-preserving logic closer to the operative rule^{6,7}.

Table 5.4.1-1. Proposed priorities for improving normative precision and drafting discipline in the EU sanctions regime

Proposed reform priority	Main drafting problem addressed	Expected legal effect	Main supporting material
Standardised article template	Dispersed structure of rule, exception, derogation, and reporting clauses	Greater readability, more stable implementation, lower compliance ambiguity	Council sanctions-adoption process materials; current package layering
Terminological discipline	Inconsistent or insufficiently explicit use of exemption, derogation, authorisation, and best-efforts language	Better legal certainty and less over-compliance	Council Best Practices 2024

¹ Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures.

² European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

³ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

⁴ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

⁵ General Court of the European Union. (2025). *MegaFon OAO v Council of the European Union (Case T-193/23)*.

⁶ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

⁷ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

Proposed reform priority	Main drafting problem addressed	Expected legal effect	Main supporting material
Stronger annex and identifier drafting	Mistaken identity, inconsistent listing metadata, insufficient identifiers	More accurate targeting and fewer false positives	Council Best Practices 2024
Recital-to-rule alignment	Key scope limitations left mainly in recitals or later guidance	Stronger foreseeability and easier judicial defence	2024–2025 package practice; anti-suit refinement example
Integrated drafting of safeguards	Rights-preserving exceptions too distant from prohibitions	Better Charter compatibility and clearer lawful carve-outs	ACE, NSD, MegaFon
Structured anti-circumvention formulation	Open-ended compliance expectations and benefit tests	Stronger enforceability with lower ambiguity	Article 8a guidance; due-diligence guidance; Directive 2024/1226
Guidance-to-legislation feedback loop	Recurrent FAQ clarifications not converted into legislative refinement	More self-explanatory legal texts and less interpretative overload	Commission FAQs and guidance pages

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.
- Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.
- European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.
- General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.
- General Court of the European Union. (2025). *MegaFon OAO v Council of the European Union (Case T-193/23)*.

The eighth proposal is to strengthen private-law stabilisation clauses through more explicit and better co-ordinated drafting. The current regime already contains liability shields and no-claims provisions, and those are among the principal legal devices preventing the sanctions architecture from being hollowed out by private litigation. Yet as the regime moves further into services, IP rights, software, data-sharing, and other hybrid legal fields, private-law friction becomes more complex. A more disciplined drafting approach would therefore require that, whenever a new sanctions provision predictably disrupts ongoing contractual or regulatory private-law relations, the legislator explicitly considers whether the associated liability shield, no-claims rule, derogation route, or escrow-like accommodation is sufficiently clear. The point is not to make sanctions commercially comfortable. It is to ensure that the law itself anticipates major private-law spillover rather than leaving it to ad hoc post-legislative repair. In a long-duration regime, commercial and regulatory manageability is part of legal resilience^{1,2,3}.

The ninth proposal is to create a more systematic legislative feedback loop from FAQ practice back into binding text. The Commission's FAQ page and guidance page together show a well-developed soft-law ecosystem that supports national authorities, operators, and citizens and is updated through RSS-notified revisions. This is extremely useful operationally. However, in a regime intended to endure into 2030, the most recurrent and legally significant FAQ clarifications should not remain indefinitely in soft

¹ Council of the European Union. (2014). *Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

² Council of the European Union. (2014). *Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

³ European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on REACH-related issues*.

law alone. Where the same questions return repeatedly—e.g., on indirect provision, ownership and control, legal representation carve-outs, best efforts, or the practical meaning of no-Russia clauses—the Union should consider codifying the clarification in the next relevant amending regulation. This would not eliminate soft law, but it would reduce the risk that the formal legal act becomes less authoritative in practice than the living FAQ environment around it. Normative precision is best preserved when guidance educates but the law speaks for itself on the most recurrent points^{1,2,3}.

The tenth proposal is to improve the drafting of authorisation and derogation procedures themselves, not merely the substantive exceptions. The Council’s Best Practices emphasise dialogue with the private sector, state that Member States should develop structured dialogue and co-operation with relevant private organisations on the implementation of freezing measures, and recommend that Member States have procedures to evaluate the effectiveness of national performance regarding restrictive measures, taking into account results from dialogue with the private sector. These are strong implementation recommendations. Yet the next step should be to translate some of their spirit into more disciplined legal drafting. In particular, where derogations are central to proportionality and targetedness, the legal text should indicate with greater consistency the basic procedural parameters: whether notification is required, whether consultation is required, whether the competent authority must assess “strict necessity”, and how closely the derogation is tied to the objectives of the regulation. More structured drafting of derogation procedures would reduce national divergence and make the regime more predictable without making it looser⁴.

A closely related proposal is to improve versioning discipline when major amendments are adopted. At present, the Union benefits greatly from EUR-Lex consolidation and from the Commission’s practice of maintaining consolidated FAQ documents. But the very need for these documentary tools shows that the amendment history of the sanctions’ regime is becoming difficult to navigate. A more disciplined approach would pair major amendment packages with clearer article-by-article change summaries, concordance mapping for affected provisions, and explicit identification of whether a given amendment merely extends an existing measure, changes its addressees, narrows its scope, adds a derogation, or creates a new reporting duty. Such a practice would not alter the legal force of the Official Journal text, but it would materially improve usability and reduce interpretative lag. In long-term sanctions governance, documentary precision is not a secondary administrative matter; it is part of the law’s real-world intelligibility. The Commission’s and Council’s heavy investment in guidance and review processes already points in that direction^{5,6}.

The eleventh proposal is to treat listing maintenance with the same drafting seriousness as initial designation. The Council’s Best Practices already require constant review of identifiers and regular review of the need to maintain designations. The courts, for their part, continue to insist that factual allegations in the statement of reasons must be substantiated and that the Council cannot rely on undisciplined formulae where a measure is challenged. From the perspective of drafting discipline, this suggests that future reforms should not focus only on the legal sufficiency of initial listing criteria. They should also address the drafting and evidentiary quality of maintenance acts, updates of summaries of reasons, and changes to annexed identifiers over time. A sanctions regime that lasts for years is especially vulnerable to the quiet deterioration of maintenance quality, because listings become

¹ European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

² European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

³ European Commission. (2026). *Guidance documents*.

⁴ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

⁵ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

⁶ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

routinised. One of the most important proposals for the next phase is therefore to keep maintenance drafting as evidence-based and identifier-rich as initial designation drafting^{1,2}.

The twelfth proposal is to frame future package amendments around a clearer distinction between norms aimed at direct prohibition and norms aimed at implementation support. One reason why mature sanctions regimes become difficult to navigate is that rules imposing direct bans, rules requiring reporting, rules governing authorisations, and rules describing anti-circumvention expectations are often layered into the same legislative space without a stable drafting grammar. Over time, this can make operators treat all provisions as equally prohibitory, even where some of them are primarily administrative or procedural. A more disciplined model would classify new provisions more transparently by legal function. This would support compliance, reduce over-compliance, and improve criminal-law defensibility where Directive (EU) 2024/1226 becomes relevant, because clearer classification makes it easier to understand which duties are capable of grounding serious enforcement consequences and which are supporting duties within the broader compliance architecture. In a long-term regime, functionally transparent drafting is one of the best protections against cumulative legal opacity^{3,4,5}.

Table 5.4.1-2. Suggested drafting-discipline measures and their expected medium-term benefits

Suggested measure	Drafting objective	Expected benefit for 2026–2030 resilience
Single structured template for new restrictive provisions	Organise each rule in the same order: prohibition, addressee, scope, exception, derogation, reporting, anti-circumvention	Greater readability and lower compliance error rate
Union-wide terminology discipline	Use exemption, derogation, authorisation, notification, and best-efforts language consistently	Better legal certainty and lower litigation risk
Enhanced annex and identifier standards	Require fuller metadata, harmonised naming, and regular update discipline	More accurate targeting and fewer mistaken-identity problems
Closer recital–operative-text alignment	Transfer recurrent scope-limiting clarification into the binding article where appropriate	Stronger foreseeability and easier judicial defence
Rights-sensitive drafting clauses	Make protected procedural or Charter-relevant space more visible within the rule	Higher constitutional resilience and lower over-compliance
Codification of recurrent FAQ clarifications	Turn frequently repeated soft-law explanations into legislative refinement	Reduce dependence on extra-textual interpretation
Procedural discipline for derogations	Clarify the basic authorisation logic and review language more consistently	Narrower implementation divergence across Member States
Improved amendment-versioning practice	Make package effects easier to track article by article	Faster operator adaptation and more coherent compliance practice

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.
- Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.
- European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

¹ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

² Court of Justice of the European Union. (2025). *Judicial activity 2024*.

³ Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures.

⁴ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

⁵ European Commission. (2026). *Guidance documents*.

- European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- European Commission. (2026). *Guidance documents.*
- Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures.
- General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22).*
- General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22).*

The overall conclusion is that improving normative precision and drafting discipline should be treated as the first and most foundational proposal for the further development of the EU legal sanctions regime. The present sanctions architecture has proved that it can expand, adapt, and survive litigation. However, precisely because it has grown into a dense and long-duration legal system, the next stage of reform should emphasise the quality of legal engineering as much as the breadth of restriction. Better structure, clearer terminology, stronger annex discipline, closer recital-to-rule alignment, more explicit Charter-sensitive drafting, more transparent anti-circumvention language, and a stronger feedback loop from FAQ practice back into legislation would all improve the regime without softening its strategic effect. On the contrary, such reforms would make sanctions more enforceable, more reviewable, and more proportionate in practice. For a regime expected to endure into 2030 and beyond, that is not a minor technical matter. It is one of the main conditions of sustained legal effectiveness^{1,2,3}.

5.4.2. Protected Legal Pathways and Controlled Derogations

The second proposal for the further development of the EU legal sanctions regime should be the creation of a more coherent system of protected legal pathways and controlled derogations. If the previous subsection argued that the regime requires stronger drafting discipline, the present subsection addresses the corresponding substantive question: how should the Union preserve legally necessary channels of action without diluting sanctions pressure? This issue is now central to long-term resilience. The Commission's sanctions overview states that EU sanctions are carefully targeted and designed to be proportionate, while reducing unintended consequences as much as possible, and the Council's Russia sanctions page continues to present the regime as a maintained legal architecture subject to review and calibration rather than as an indiscriminate embargo. A sanctions system that is supposed to endure into 2030 cannot rely only on prohibitions. It must also preserve specific lawful pathways for defence, basic needs, humanitarian action, regulatory continuity, and orderly withdrawal where those pathways are necessary to keep the regime proportionate, judicially defensible, and practically manageable. The objective of reform, therefore, should not be wider permissiveness. It should be better-structured selectivity^{4,5}.

That proposal is grounded in the current legal architecture itself. Regulation 269/2014 already contains derogations allowing competent authorities to authorise the release of certain frozen funds or economic resources where they are necessary for basic needs, intended exclusively for reasonable legal expenses, or needed for routine holding, maintenance, or certain pre-existing claims. The Commission's consolidated sanctions FAQ further explains that national competent authorities may authorise the release of frozen funds or the provision of funds or economic resources where they are necessary to satisfy the basic needs of natural or legal persons or intended exclusively for payment of fees or service

¹ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions.*

² European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

³ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures.*

⁴ European Commission. (2026). *Overview of sanctions and related resources.*

⁵ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions.*

charges for routine holding or maintenance of economic resources. The Council's 2024 Best Practices document reinforces this by expressly listing basic needs, the right of defence in relation to legal-service expenses, the right of ownership, humanitarian purposes, and related considerations among the factors competent authorities may take into account when granting derogations. These sources show that the existing system already recognises that strict prohibition must be coupled with safeguarded legal channels. The problem is not the absence of protected pathways in principle. The problem is that they remain dispersed, unevenly operationalised, and often too dependent on case-by-case interpretative work^{1,2,3}.

The legal-services field provides an equally important illustration. The Commission's January 2026 FAQ on Article 5n states that the sanctions on legal advisory services were designed so as to preserve access to justice and the right of defence, and that the prohibition does not apply to services strictly necessary for the exercise of the right of defence in judicial proceedings and the right to an effective legal remedy, or to services strictly necessary to ensure access to judicial, administrative, or arbitral proceedings in a Member State, or for the recognition or enforcement of a judgment or arbitration award rendered in a Member State. The General Court's October 2024 press release in *ACE-Avocats, ensemble v Council* confirms the same logic, stating that the prohibition on legal advisory services does not concern legal advisory services provided in connection with judicial, administrative, or arbitral proceedings and therefore does not call the fundamental right to effective judicial protection into question. This is precisely the kind of legal architecture a resilient sanctions regime needs: coercive in relation to non-contentious commercial support, but deliberately protective in relation to core procedural justice. Yet the current system still requires operators to reconstruct this balance across recitals, articles, exemptions, derogations, and FAQs. The next stage of reform should make these pathways more explicit and easier to administer^{4,5}.

A similar lesson emerges from the treatment of intellectual-property rights. The Commission's November 2024 IPR FAQ states that sanctions are not punitive and that their purpose is not to deprive the designated person of its rights. For that reason, the FAQ explains that, where conditions are met, a derogation under Article 4(1)(a) or (c) of Regulation 269/2014 for the purpose of renewing a frozen intellectual-property right appears legitimate, and that the same decision may authorise both the release of the necessary frozen funds and the renewal by the relevant EU or Member State IP office. This is an exceptionally useful example for future law reform. It shows that protected legal pathways are not limited to courts or humanitarian action. They also extend to the preservation of legal continuity in rights systems where failure to act would destroy the right itself rather than merely suspend its use. A long-duration sanctions regime must therefore distinguish between economic exploitation of rights, which may properly be restricted, and procedural preservation of rights, which may need to remain possible under controlled conditions^{6,7}.

The same principle appears in other regulatory contexts. The Commission's July 2024 REACH-related FAQ explains that where sanctions block normal financial settlement or data-sharing performance, alternatives such as escrow arrangements, administrative decisions by ECHA, or other controlled mechanisms may still preserve the operability of the regulatory framework without nullifying the restrictive measure. This is analytically important because it shows that the Union already has practical experience of managing sanctions in a way that neither abolishes the underlying legal relationship nor allows unrestricted performance. The legal pathway is not left fully open, but neither is it closed

¹ European Union. (2025). *Consolidated text: Council Regulation (EU) No 269/2014*.

² European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

⁴ European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014*.

⁵ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

⁶ European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁷ European Union. (2025). *Consolidated text: Council Regulation (EU) No 269/2014*.

absolutely. Instead, it is re-routed through a controlled channel compatible with sanctions objectives. This is exactly the model that should be generalised in proposal form. In long-term sanctions governance, the question is often not whether a pathway should exist, but what kind of supervision should attach to it¹.

A further current example of protected legal pathways appears in the February 2025 reform of Regulation 269/2014. Council Regulation (EU) 2025/390 introduced a claim for damages in Article 11a for Union persons who suffer direct or indirect damages, including legal costs, as a consequence of claims lodged in third-country courts in relation to contracts or transactions affected by the sanctions, where effective remedies are not available in that third-country jurisdiction. The same act inserted Article 11b, allowing a court of a Member State, on an exceptional basis, to hear such damages claim under *forum necessitatis* where no other court of a Member State has jurisdiction and the case has a sufficient connection with the Member State concerned. This reform is highly significant for the present subsection. It shows that the Union has already begun to move beyond purely negative restriction and toward the protection of lawful Union actors through affirmative legal pathways. That development should be built upon rather than treated as exceptional².

The first concrete proposal is therefore to codify, at the level of future package recitals and operative provisions, a general principle of protected legal pathways. The Union should make clearer in the legal text itself that sanctions are to be interpreted and applied in a manner that preserves specifically identified lawful channels necessary for basic needs, legal defence, effective judicial protection, humanitarian action, the preservation of legal rights, and narrowly defined orderly exit or wind-down activity. Such a principle would not weaken restrictive measures. On the contrary, it would strengthen them by reducing the risk that lawful pathways are discovered only through *post hoc* litigation or heavy FAQ dependence. The Commission's overview page already states that sanctions are meant to be proportionate and to reduce unintended consequences, while the existing regulations and guidance already embody that logic in dispersed form. The next stage of development should simply make that organising principle more explicit and more operational^{3,4}.

The second proposal is to move toward a tiered derogation architecture. At present, the regime often distinguishes between what is outside the prohibition, what is possible under a derogation, and what is merely explained in soft-law guidance, but this differentiation is not always presented in a sufficiently transparent and standardised way. The Council's Best Practices provide an important starting point by stating that "exemption" refers to uses not prohibited by the regulations, while "derogation" refers to uses prohibited unless authorised by a competent authority. Building on that distinction, future reforms should divide protected pathways into at least three categories: (1) genuine exemptions that operate automatically; (2) standard derogations that should normally be granted when objective conditions are met; and (3) high-scrutiny derogations requiring additional justification, notification, or coordination. Such a model would make the current system easier to navigate and would reduce the tendency of operators to treat every lawful pathway as if it were discretionary and uncertain⁵.

The third proposal is to create an explicit fast-track category for derogations related to basic needs, legal fees, routine asset maintenance, welfare-type payments, and the preservation of legal rights whose lapse would cause irreversible legal loss. The Council's Best Practices already identify basic needs, legal-service expenses, and humanitarian purposes as central derogation concerns, and the Commission's IPR FAQ explicitly treats the renewal of frozen rights as a legitimate case for derogation where conditions are met. These materials suggest that the Union already recognises a hierarchy of

¹ European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on REACH-related issues*.

² Council of the European Union. (2025). *Council Regulation (EU) 2025/390 of 24 February 2025 amending Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

³ European Commission. (2026). *Overview of sanctions and related resources*.

⁴ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁵ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

urgency and importance. The problem is that the procedural consequences of that recognition are not always visible or standardised. A controlled fast-track mechanism—with defined documentation requirements, short indicative response periods, and mandatory reason-giving—would preserve sanctions pressure while reducing unnecessary hardship and legal decay. In a long-term regime, such a mechanism would strengthen proportionality without creating a general relaxation channel^{1,2}.

The fourth proposal is to create a more explicit protected litigation and arbitration corridor. The current Article 5n framework already preserves access to judicial, administrative, and arbitral proceedings in a Member State and to the recognition or enforcement of judgments and arbitral awards rendered there, while also preserving the right of defence more generally. However, as the Commission’s January 2026 FAQ makes clear, the practical boundaries between prohibited legal advisory services and permitted procedural assistance remain fact-sensitive, especially in pre-proceedings assessment and extra-EU contexts. The Union should therefore codify more clearly that representation, preparatory advice strictly necessary for contemplated litigation or arbitration, enforcement-related work, and defensive procedural measures remain protected pathways subject to appropriate anti-circumvention safeguards. The objective should be to reduce the present dependence on FAQ reconstruction and to ensure that law firms, arbitral counsel, and competent authorities can identify the procedural safe corridor directly from the legislative text. This would not amount to a weakening of the legal-services restriction. It would amount to a clearer constitutional calibration of it^{3,4}.

The fifth proposal is to extend the logic of forum necessitatis and damages recovery into a broader model of protected defensive recourse for Union operators. Regulation (EU) 2025/390 already recognises that Union persons may face situations of denial of justice in third-country litigation connected with sanctions-affected contracts or transactions. It responds by creating a damages action and, exceptionally, a forum necessitatis pathway. That innovation is legally and strategically important. It acknowledges that the sanctions regime itself can generate exposure for Union operators in hostile or law-distorted legal environments and that the EU should not treat such operators as if they were merely collateral actors. Future development should therefore consider whether similarly structured protective pathways are needed in related contexts, especially, where sanctions’ compliance triggers coercive litigation, retaliatory measures, or blocked access to effective remedies abroad. In long-term terms, this is part of making the sanctions regime not only restrictive but also institutionally protective of those who are expected to comply with it⁵.

Table 5.4.2-1. Core protected legal pathways already visible in the current EU sanctions regime

Protected pathway	Current legal anchor	Existing control logic	Why it matters for future reform
Basic needs	Regulation 269/2014 Article 4; Council Best Practices	NCA authorisation; proportionality and documentation	Prevents sanctions from becoming socially indiscriminate
Legal fees and right of defence	Regulation 269/2014 Article 4; Article 5n(5) and 5n(6); ACE case-law	Narrowly framed exceptions and derogations	Preserves access to justice and judicial defensibility
Judicial / arbitral access in a Member State	Article 5n(6) and Commission services FAQ	Strict-necessity test and consistency with sanctions objectives	Keeps legal process open without allowing general non-contentious support

¹ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

² European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

³ European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014*.

⁴ General Court of the European Union. (2024). *ACE-Avocats, ensemble v Council of the European Union (Case T-828/22)*.

⁵ Council of the European Union. (2025). *Council Regulation (EU) 2025/390 of 24 February 2025 amending Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

Protected pathway	Current legal anchor	Existing control logic	Why it matters for future reform
Preservation of IP rights	Commission IPR FAQ; Article 4 derogation logic	NCA discretion; bank release plus office-level renewal in one decision	Avoids irreversible loss of rights through mere procedural lapse
Regulatory continuity under sanctions stress	REACH-related FAQ	Escrow, administrative substitution, controlled continuation	Shows that legal relationships can be stabilised without dissolving sanctions
Damages recovery / forum necessitatis	Regulation (EU) 2025/390, Articles 11a and 11b	Court access under defined exceptional conditions	Protects Union operators facing denial of justice abroad
Humanitarian / civil-society work	Article 5n derogation practice; Best Practices; Commission guidance	NCA authorisation under defined conditions	Reduces unintended social and rule-of-law harm

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- European Union. (2025). *Consolidated text: Council Regulation (EU) No 269/2014.*
- Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures.*
- European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014.*
- European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it.*
- European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on REACH-related issues.*
- Council of the European Union. (2025). *Council Regulation (EU) 2025/390 of 24 February 2025 amending Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.*

The sixth proposal is to make humanitarian and civil-society derogations more predictable, especially in the Russia-related services field. The Commission's January 2026 services FAQ states that pro bono legal services are generally prohibited if they fall within the prohibition, but may be authorised by national competent authorities where they are necessary for humanitarian purposes or for civil-society activities that directly promote democracy, human rights, or the rule of law in Russia. The Council's Best Practices likewise list humanitarian purposes, including the delivery of medical supplies, food, evacuation, and related assistance, among the considerations relevant to derogations. This already points toward a normatively coherent model. Yet the present system still relies heavily on discretionary and fact-specific authorisation. The Union should now consider a more structured humanitarian and civil-society derogation protocol, with standard criteria, indicative documentary requirements, and more visible recognition that such pathways are part of the regime's rule-of-law credibility rather than exceptional indulgences^{1,2}.

The seventh proposal is to build a more coherent framework for controlled continuity in regulated private-law settings. The REACH-related FAQ demonstrates that sanctions can be reconciled with continuing regulatory duties through escrow, administrative intervention, and modified performance channels. The IPR FAQ demonstrates the same logic in relation to renewal of rights. These examples suggest that the Union should not treat each adjacent legal field as a unique emergency. It should instead develop a general model for preserving legally necessary procedural continuity while maintaining the restrictive effect on value transfer, control, or economic benefit. Such a model could be used in intellectual-property procedures, regulatory data-sharing systems, certain licensing

¹ European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014.*

² Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures.*

environments, and other hybrid public-private legal spaces. In practice, this would make the sanctions regime easier to apply and reduce the need for ad hoc interpretative rescue after conflicts arise^{1,2}.

The eighth proposal is to standardise national competent authority procedures far more rigorously. The Commission's overview page states that Member States are responsible for implementation and enforcement, while the Commission monitors correct and uniform implementation and provides guidance to Member States. The Best Practices document adds that Member States should endeavour to develop appropriate national procedures and should exchange the results of effectiveness evaluations in the RELEX/Sanctions formation. These are important foundations, but they do not yet guarantee sufficiently convergent derogation practice. The Union should therefore develop a standard procedural toolkit for NCAs dealing with sanctions derogations: model application forms, a minimum core of required documents, common reason-giving templates, indicative timelines, and a clearer distinction between standard, urgent, and exceptional requests. This would not centralise all decisions in Brussels. It would, however, reduce avoidable divergence and make controlled derogations far more predictable across the Union^{3,4}.

The ninth proposal is to establish a more formal EU-level support and escalation layer for derogation-sensitive sectors. The Commission's overview page notes that the EU sanctions helpdesk already supports European operators, particularly SMEs, with resources, information, and cost-free personalised help in sanctions due-diligence checks, and that the Commission also answers interpretation questions raised by national competent authorities as well as economic and humanitarian operators. The Council's Best Practices further note that the Commission has established a contact point at EU level for humanitarian aid in environments subject to sanctions. These institutional elements could be developed into a more coherent support structure for protected legal pathways. For example, the Union could maintain an expert coordination channel for urgent derogation questions involving legal defence, humanitarian access, or rights-preservation matters, without displacing the final decision-making role of national authorities. In a multi-level sanctions regime, guidance and escalation channels are part of the law's operational architecture, not merely administrative convenience^{5,6}.

The tenth proposal is to require stronger reason-giving discipline for derogation refusals. Much of the current resilience debate focuses on judicial review of listings or prohibitions, but controlled derogations also generate serious legal consequences. Where a person is denied access to frozen funds for basic needs, denied permission to preserve an IP right, or denied a service needed for effective judicial protection, the legal significance of the refusal may be considerable. A resilient sanctions regime should therefore ensure that derogation refusals are reasoned with enough clarity to permit internal review, national judicial control where available, and at least some degree of cross-Member-State learning. This is especially important because national implementation remains central to the system. The more intrusive the derogation decision, the stronger the case for transparent and reviewable reasoning. The Union's own commitment to proportionate and targeted sanctions' supports precisely this type of procedural discipline^{7,8,9}.

The eleventh proposal is to integrate more explicit anti-circumvention safeguards into derogation design, rather than treating derogations and circumvention rules as separate worlds. The February 2025 reform of Regulation 269/2014 and the Article 8a guidance show that the Union is increasingly attentive to the risk that owned or controlled entities outside the Union may be used to undermine restrictive

¹ European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on REACH-related issues*.

² European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ European Commission. (2026). *Overview of sanctions and related resources*.

⁴ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

⁵ Ibid.

⁶ European Commission. (2026). *Overview of sanctions and related resources*.

⁷ Ibid.

⁸ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

⁹ General Court of the European Union. (2024). *NKO AO National Settlement Depository (NSD) v Council of the European Union (Case T-494/22)*.

measures and that operators must use best efforts to prevent that result. The correct response, however, is not to make derogations so narrow or unpredictable that lawful pathways collapse. It is to attach proportionate conditions to derogations where circumvention risk is real. Such conditions might include use of frozen accounts, escrow-type arrangements, restricted beneficiary chains, reporting obligations, or purpose-specific limits. In this way, protected legal pathways remain open, but they remain open under supervision. That is the essence of a controlled derogation model^{1,2}.

The twelfth proposal is to convert recurrent derogation-related clarifications from FAQ practice into legislative feedback. The current FAQ environment already makes clear where the regime repeatedly needs explanation: the meaning of strict necessity, the treatment of pro bono legal services, the distinction between entities established in Russia and EU subsidiaries of Russian companies, the renewal of frozen IP rights, and the handling of regulatory obligations in sanctions-affected sectors. Rather than leaving these matters indefinitely in extra-textual guidance, the Union should identify the most recurrent and legally consequential clarifications and codify them in future amendment packages. This would strengthen legal certainty and reduce dependence on an ever-expanding soft-law layer. It would also support judicial defensibility by making the operative text more self-sufficient. A mature sanctions regime should not require operators to reconstruct core protected pathways from multiple scattered interpretative sources if those pathways are repeatedly relied upon in practice^{3,4,5}.

Table 5.4.2-2. Proposed reform package for protected legal pathways and controlled derogations

Proposed reform	Main objective	Expected legal benefit
General principle of protected legal pathways	Make clear that sanctions preserve defined lawful channels for defence, basic needs, humanitarian action, rights preservation, and orderly exit	Improves proportionality and judicial defensibility
Tiered derogation architecture	Distinguish clearly between exemptions, standard derogations, and high-scrutiny derogations	Reduces ambiguity and implementation divergence
Fast-track urgent derogations	Accelerate decisions on basic needs, legal fees, rights-preserving actions, and comparable urgent matters	Prevents unnecessary hardship and irreversible legal loss
Protected litigation / arbitration corridor	Clarify procedural safe channels for judicial and arbitral access, preparatory defence work, and enforcement-related services	Strengthens access to justice without weakening sanctions pressure
Structured humanitarian and civil-society protocol	Standardise criteria and documentation for humanitarian and rule-of-law related authorisations	Improves predictability and legitimacy
Regulatory continuity model	Generalise escrow-type and administrative-substitution solutions for adjacent legal regimes	Keeps wider legal systems operable under sanctions stress
NCA procedural toolkit	Standard forms, timelines, minimum documents, and common reasoning practice	Enhances convergence across Member States
EU-level support / escalation layer	Create coordinated expert support for derogation-sensitive sectors	Reduces uncertainty and speeds lawful implementation

¹ Council of the European Union. (2025). *Council Regulation (EU) 2025/390 of 24 February 2025 amending Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

² European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on the following provision: Article 8a of Council Regulation (EU) No 833/2014*.

³ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014*.

⁵ European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it*.

Proposed reform	Main objective	Expected legal benefit
Reasoned derogation refusals	Require sufficiently transparent grounds for refusal of important requests	Improves reviewability and fairness
Anti-circumvention conditions within derogations	Keep lawful pathways open under proportionate supervisory conditions	Preserves coercive effect while avoiding blanket closure
Guidance-to-legislation feedback loop	Codify recurrent derogation clarifications in future packages	Makes the law more self-explanatory and less FAQ-dependent

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- European Commission. (2026). *Overview of sanctions and related resources*.
- Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.
- European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014*.
- European Commission. (2024). *Frequently asked questions on intellectual property rights concerning sanctions adopted in view of Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on REACH-related issues*.
- Council of the European Union. (2025). *Council Regulation (EU) 2025/390 of 24 February 2025 amending Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

The overall conclusion is that the future development of the EU legal sanctions regime should not be conceived as a choice between severity and flexibility. The more realistic and legally sustainable objective is to build controlled flexibility through better-protected legal pathways. The current system already contains the essential building blocks: (1) derogations for basic needs, legal fees, and routine maintenance; (2) procedural exceptions for judicial and arbitral access; (3) rights-preservation solutions in the IP field; (4) administrative continuity mechanisms in adjacent regulatory areas; and (5) even a new forum necessitatis route for damages claims in exceptional cross-border situations. What is still missing is a more coherent architecture that makes those pathways visible, structured, and convergent across Member States. For the period to 2030, that would be one of the most effective ways to strengthen both the legitimacy and the durability of the sanctions' regime. Protected legal pathways do not undermine sanctions. Properly designed, they are one of the conditions that allow sanctions to remain targeted, enforceable, and constitutionally sustainable over time^{1,2,3}.

5.4.3. Stronger Enforcement Coordination and Anti-Circumvention Governance

If the previous proposal concerned normative precision and drafting discipline, the third proposal must address the operational side of sanctions law: stronger enforcement coordination and more structured anti-circumvention governance. The EU sanctions regime against Russia has already reached a stage at which the legal force of prohibitions alone is no longer sufficient to ensure effectiveness. The Commission's overview of sanctions states that Member States are responsible for implementation and enforcement, while the Commission monitors the correct and uniform implementation of EU sanctions

¹ European Commission. (2026). *Overview of sanctions and related resources*.

² Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

³ Council of the European Union. (2025). *Council Regulation (EU) 2025/390 of 24 February 2025 amending Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*.

and supports Member States by answering interpretation questions. The Commission’s page on making sanctions effective adds that effective and diligent implementation is key to ensuring that sanctions meet their objectives. The strategic implication is straightforward. In a long-duration regime, resilience depends not only on what the law forbids, but on whether the Union can coordinate enforcement across multiple authorities, reduce divergence, and continuously identify and close circumvention pathways before they become routinised^{1,2}.

The current architecture already contains important building blocks. The Commission explains that it supports sanctions implementation through a regular expert group meeting on sanctions implementation, the “Freeze and Seize” Task Force established in March 2022, a High-Level Group allowing all 27 Member State authorities to share information together with representatives of EU industry and business, and ad hoc stakeholder meetings held to provide guidance and discuss implementation with operators. The same page adds that the EU coordinates sanctions with major international allies and partners such as the United States, the United Kingdom, Japan, Australia, Canada, and others. This is a substantial institutional base. But it remains, in important respects, an accumulation of mechanisms rather than a fully integrated enforcement-governance model. The next step should therefore be to convert these instruments into a more structured and permanent coordination architecture, with clearer escalation routes, more systematic reporting, and stronger feedback into both legislation and guidance³.

The first proposal is thus to establish a more formalised EU sanctions implementation coordination framework built around the instruments that already exist. The regular expert group, the Freeze and Seize Task Force, the High-Level Group, and the Commission’s interpretative role should be treated as distinct but linked layers of a standing coordination system rather than as partially separate channels. The objective would be to reduce fragmentation between policy design, enforcement experience, and operator feedback. In practice, this could mean regularised agendas, more structured thematic workstreams, common follow-up formats, and clearer routing of recurrent issues from implementation to legislative review. Since the Council’s Best Practices are explicitly kept under constant review and designed to reflect current Member State priorities, the institutional foundations for such an approach already exist. What is needed is a more deliberate governance design around them^{4,5}.

The second proposal is to intensify enforcement convergence among national competent authorities. The Commission’s contacts page states that the primary responsibility for implementation rests with the Member States and that EU operators should first and foremost reach out to their national competent authority on specific issues. That same page provides the latest contact details for all national competent authorities and notes that the Commission monitors correct and uniform implementation. This structure is constitutionally appropriate, but it leaves substantial room for divergence. Over time, variation in how NCAs interpret “strict necessity”, “indirect benefit”, “best efforts”, or the conditions for authorisation can undermine both fairness and effectiveness. The Union should therefore move toward more standardised procedural toolkits for NCAs, including model forms, common core documentation requirements, indicative timeframes, and structured reason-giving for approvals and refusals. This would not centralise decision-making, but it would narrow avoidable differences in practice^{6,7}.

The Council’s 2024 Best Practices point strongly in the same direction. They describe themselves as non-exhaustive recommendations for effective implementation and emphasise that the RELEX/Sanctions formation develops best practices among Member States. They also recommend that Member States put in place appropriate national procedures to evaluate the effectiveness of national action regarding restrictive measures, taking into account dialogue with the private sector. This is

¹ European Commission. (2026). *Overview of sanctions and related resources*;

² European Commission. (2025). *Making sanctions effective*.

³ Ibid.

⁴ Ibid.

⁵ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

⁶ European Commission. (2026). *Contacts on EU sanctions*.

⁷ European Commission. (2026). *Overview of sanctions and related resources*.

already very close to a convergence-governance logic. The next step should be to make such evaluation more systematic and more comparable across Member States. A long-term sanctions regime should not rely only on whether national authorities are active; it should also examine whether they are functionally aligned in the way they process similar cases. Enforcement coordination becomes more meaningful when it is supported by comparable indicators and recurring peer review rather than by ad hoc exchange alone¹.

The third proposal is to build more firmly on Directive (EU) 2024/1226 as the criminal-law backbone of sanctions enforcement coordination. The EUR-Lex summary states that the directive sets minimum EU-wide rules for defining criminal offences and penalties for the violation and circumvention of EU restrictive measures, ensures common basic standards for penalties in all Member States, closes existing legal loopholes, and increases deterrence. It also requires cooperation among national authorities, the Commission, the EPPO, Eurojust, and Europol. This is one of the most important developments in the current sanctions' architecture. However, as a proposal for further regime development, it should be followed by a stronger implementation-monitoring model: comparative transposition review, recurring reporting on practical application, and thematic enforcement dialogues on areas of recurrent circumvention risk. In the 2026–2030 period, criminal-law convergence will be one of the key tests of whether the sanctions regime is truly durable or merely broad on paper^{2,3}.

The fourth proposal is to strengthen the operational role of the Freeze and Seize Task Force as a permanent sanctions-enforcement coordination hub rather than primarily an asset-freeze response body. The Commission states that the Task Force was set up to explore links between assets belonging to listed persons and criminal activities and that its aim is to strengthen coordination at operational level to ensure effective enforcement of EU sanctions across all Member States. It also notes that the Task Force includes Commission representatives, contact points from each Member State, Eurojust, and Europol, and coordinates its work with the G7/EU/Australia REPO Task Force. This is an exceptionally valuable institutional platform because it already sits at the intersection of sanctions enforcement, criminal-law cooperation, and international asset-tracing coordination. The proposal here is to widen its functional scope toward recurring typology analysis, coordinated response to new evasion patterns, and structured lessons-learned transmission into legislative and guidance updates. That would make the Task Force more central to anti-circumvention governance as such^{4,5}.

This is especially important because the sanctions regime is increasingly confronting networked circumvention, not merely direct breach. The Commission's page on making sanctions effective states that, to prevent circumvention, it is mobilising trade and customs services to spot the redirection of trade flows through third countries, reaching out to third countries for shared assessment and remedial discussion, and gathering information on circumvention patterns from the private sector. This description is revealing. It shows that anti-circumvention governance already depends on customs intelligence, trade-pattern analysis, diplomatic outreach, and private-sector reporting. In a long-term regime, these functions should not remain loosely connected. They should be integrated through a more formal anti-circumvention coordination cycle that identifies typologies, prioritises sectors, and channels findings into both enforcement action and legal amendment⁶.

The fifth proposal is therefore to establish a more explicit EU typology and red-flag architecture for sanctions evasion. The Commission's due-diligence guidance for EU operators already offers a list of indicative red flags, including suspicious ownership restructurings, board or management links with designated persons, shell-like corporate behaviour, and other patterns that may signal circumvention. The same guidance emphasises that those red flags are indicative and should be supplemented by

¹ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

² European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

³ Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.

⁴ European Commission. (2025). *Sanctions against individuals, companies and organisations*.

⁵ European Commission. (2025). *Making sanctions effective*.

⁶ Ibid.

updated typologies detected through information shared by the Commission, the Member States, or exchanges with operator representatives. This is already the embryo of a typology-based enforcement model. The proposal is to make that model more systematic and dynamic by institutionalising regular publication or circulation of updated risk typologies for competent authorities and, where appropriate, for operators. Anti-circumvention governance works best when it is informed by a live, shared understanding of how evasion actually occurs¹.

The sixth proposal is to tighten the link between Article 8a “best efforts” obligations, the “no re-export to Russia” clause under Article 12g, and the enhanced due-diligence obligations now linked to common high priority items under Article 12gb. The Commission’s 2024 best-efforts FAQ and due-diligence guidance show that the EU is already moving toward a model in which operators must not only refrain from prohibited exports but must also manage downstream risk in controlled subsidiaries, contractual chains, and third-country relationships. The Article 12g FAQ further explains that the “no re-export to Russia” clause must contain adequate remedies to be activated in case of breach, while the due-diligence guidance states that Article 12gb does not replace Article 12g but adds a due-diligence layer for trade in specified common high priority items. This is an important advance. But the next step should be to organise these obligations into a more coherent anti-circumvention governance package, rather than leaving operators to piece together multiple related duties from separate provisions and guidance documents^{2,3}.

In practical terms, this means that future packages should more clearly link contractual controls, risk-calibrated due diligence, and best-efforts duties within the same policy logic. The current framework has the right instinct: it no longer assumes that sanctions can be enforced only at the border or at the moment of direct transfer. Instead, it reaches into corporate governance and contract design. Yet the legal articulation of these layers could still be more coherent. Operators should be able to understand, directly from the regulatory cluster, when they must insert a no-Russia clause, when they must conduct enhanced due diligence, when their controlled foreign entities trigger best-efforts duties, and what remedial action is expected if risk indicators appear. Stronger integration of these obligations would make anti-circumvention governance both more serious and more predictable^{4,5,6}.

Table 5.4.3-1. Core current mechanisms of EU enforcement coordination and anti-circumvention governance

Mechanism	Current function	Strength	Main limitation
Regular expert group on sanctions implementation	Connects the Commission with relevant Member State authorities	Supports continuous administrative coordination	Not yet a fully structured enforcement-governance framework
Freeze and Seize Task Force	Coordinates operational work on asset freezes and links with criminal activity	Brings together Commission, Member States, Eurojust, and Europol	Can be further expanded into a broader anti-circumvention hub
High-Level Group and ad hoc stakeholder meetings	Facilitates information-sharing with Member States and industry	Improves practical feedback from the field	Feedback is not always visibly converted into legislative refinement
Directive (EU) 2024/1226	Harmonises offences and penalties for violations and circumvention	Creates a common criminal-law baseline	National implementation and enforcement cultures may still diverge

¹ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Commission. (2024). “No re-export to Russia” clause.

³ European Commission. (2024). *Enhanced due diligence for operators manufacturing and/or trading with common high priority items*.

⁴ Ibid.

⁵ European Commission. (2024). “No re-export to Russia” clause.

⁶ European Commission. (2024). *FAQs on sanctions against Russia and Belarus, with focus on the following provision: Article 8a of Council Regulation (EU) No 833/2014*.

Mechanism	Current function	Strength	Main limitation
Article 8a best efforts	Extends sanctions responsibility to controlled non-EU entities	Addresses downstream circumvention via corporate control	Requires fact-intensive assessment and strong operator governance
Article 12g no-re-export clause	Pushes anti-circumvention controls into contracts with third-country partners	Makes private-law drafting part of sanctions enforcement	Effectiveness depends on adequate remedies and monitoring
Article 12gb enhanced due diligence	Requires operators trading in specified CHP items to conduct stronger due diligence	Moves governance beyond simple formal compliance	Creates significant compliance burdens if not well coordinated
Whistleblower tool and helpdesk	Generate intelligence and support compliance	Improve reporting and operator access to guidance	Need stronger integration into an overall risk-governance cycle

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- European Commission. (2025). *Making sanctions effective*.
- European Commission. (2025). *Sanctions against individuals, companies and organisations*.
- European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.
- European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.
- European Commission. (2024). *“No re-export to Russia” clause*.
- European Commission. (2024). *Enhanced due diligence for operators manufacturing and/or trading with common high priority items*.
- European Commission. (2026). *Contacts on EU sanctions*.

The seventh proposal is to strengthen the role of the private sector as an intelligence partner, while keeping formal enforcement authority public. The Commission’s page on making sanctions effective explicitly says that it gathers information on circumvention patterns from the private sector, and the contacts page notes that SMEs can receive personalised support through the EU Sanctions Helpdesk. These are important foundations for a more mature governance model. A regime aimed at long-term containment of circumvention cannot rely only on ex post enforcement by public authorities. It must also extract structured intelligence from firms that see suspicious routing, complex beneficial-ownership arrangements, abnormal trade behaviour, or abrupt shifts in customer patterns. The challenge is to do this in a way that does not simply outsource law enforcement to private compliance departments. The Union should therefore treat private-sector input as a governed source of typologies and alerts, not as a substitute for public decision-making^{1,2}.

This is where the EU Sanctions Whistleblower Tool becomes especially valuable. The Commission’s contacts page states that anyone aware of possible violations of EU sanctions can report them anonymously through the tool and that, if the information is credible and well documented, the Commission will refer it to the relevant Member State or States together with its legal interpretation. The due-diligence guidance likewise notes that anonymous reporting can cover past, ongoing, or planned violations, including schemes to circumvent EU sanctions. That makes the tool more than a transparency feature. It is a governance mechanism linking private or insider information to Member State enforcement. The proposal here is to integrate whistleblower reporting more systematically into the wider anti-circumvention architecture, including typology development, risk signalling, and

¹ European Commission. (2025). *Making sanctions effective*.

² European Commission. (2026). *Contacts on EU sanctions*.

feedback into guidance updates. Anonymous reporting should be treated as one strand of sanctions intelligence, not as an isolated mailbox^{1,2}.

The eighth proposal is to improve the external dimension of anti-circumvention governance. The Commission’s “making sanctions effective” page states that the EU reaches out to third countries to agree on a shared assessment, compare data, and discuss remedial measures, while also coordinating sanctions with major allies and partners. This indicates that external engagement is already part of the sanctions-enforcement model. Yet in a 2026–2030 perspective, this should become more systematic and more clearly linked to operational evidence. The Union should differentiate more clearly between third countries that require technical engagement, those that require diplomatic pressure, and those whose operators or institutions appear repeatedly in circumvention typologies. Stronger enforcement coordination inside the Union will not be sufficient if third-country routing continues to outpace the EU’s external response. For that reason, anti-circumvention governance should be explicitly designed as both an internal and an external coordination problem³.

The ninth proposal is to introduce a more visible sector-priority model for enforcement coordination. The current guidance already suggests this direction: the EU has given special attention to common high priority items, shadow-fleet structures, services, crypto-related circumvention, and specific third-country trade routes. The 2025 sanctions narrative on the Commission and Council sides confirms that the Union has repeatedly returned to these areas because they are especially relevant for Russia’s adaptation. Rather than treating all sanctions fields as equally urgent at all times, the Union should articulate a rolling enforcement-priority framework that identifies the sectors and mechanisms most vulnerable to current circumvention. This would improve resource allocation for NCAs, customs, financial supervisors, and criminal investigators. In long-duration sanctions, selective prioritisation is not a sign of weakness. It is a sign of strategic maturity^{4,5}.

The tenth proposal is to require stronger feedback loops between enforcement practice and legislative amendment. One of the strongest features of the current regime is its package-update capacity. Yet package-making becomes more effective when driven by structured enforcement knowledge rather than only by broad political logic. The typologies gathered through customs work, NCA practice, Freeze and Seize coordination, private-sector reporting, and whistleblower information should more visibly inform subsequent narrowing, expansion, or redrafting of the rules. This is especially important where the same loopholes recur despite guidance, or where the same compliance burdens recur because the legal text is under-specified. Better feedback discipline would reduce the distance between law-in-books and law-in-action. It would also make anti-circumvention governance more evidence-based and less reactive^{6,7}.

The eleventh proposal is to treat compliance support and enforcement support as complementary, not separate, pillars. The contacts page states that the EU Sanctions Helpdesk offers cost-free personalised support to SMEs performing sanctions due-diligence checks. That is valuable because many circumvention vulnerabilities emerge not from deliberate wrongdoing but from weak compliance capacity among smaller operators. A stronger regime therefore requires both sharper enforcement against intentional evasion and better compliance support for actors willing to comply but lacking expertise. In institutional terms, this means that helpdesk outputs, frequently asked questions, and stakeholder meetings should feed back into risk detection rather than being treated purely as service

¹ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Commission. (2026). *Contacts on EU sanctions*.

³ European Commission. (2025). *Making sanctions effective*.

⁴ Ibid.

⁵ European Commission. (2024). *Enhanced due diligence for operators manufacturing and/or trading with common high priority items*.

⁶ European Commission. (2025). *Making sanctions effective*.

⁷ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

functions. A resilient regime is not only one that punishes violation. It is one that reduces the pool of avoidable non-compliance through structured support^{1,2}.

The twelfth proposal is to improve public-private calibration so that anti-circumvention governance does not simply turn into systemic over-compliance. The more operators are asked to assess indirect benefit, downstream use, third-country rerouting, controlled subsidiaries, contractual remedies, and due-diligence red flags, the greater the risk that they respond with blanket refusal rather than calibrated compliance. That is not an argument against stronger governance. It is an argument for coupling governance with clearer thresholds, model clauses, risk indicators, and support channels. If the Union wants the private sector to function as an intelligent implementation partner, it must reduce the incentives for purely defensive de-risking where lawful or authorisable conduct still exists. This is one of the key reasons why stronger enforcement coordination and stronger anti-circumvention governance must be accompanied by better clarity, not only tougher rules^{3,4,5}.

Table 5.4.3-2. Proposed reform package for stronger enforcement coordination and anti-circumvention governance

Proposed reform	Main objective	Expected medium-term benefit
Permanent EU sanctions implementation coordination framework	Integrate expert group, Freeze and Seize, High-Level Group, and Commission interpretation into a standing architecture	Reduces fragmentation between policy, enforcement, and operator feedback
Standardised NCA procedures	Harmonise core procedural practice for authorisations, refusals, and risk assessments	Narrows implementation divergence across Member States
Directive 2024/1226 follow-through review	Track real convergence in criminal-law enforcement after transposition	Improves deterrence and seriousness of response to violations
Expanded Freeze and Seize mandate	Use the Task Force as a broader anti-circumvention coordination hub	Better operational response to cross-border evasion networks
EU typology and red-flag cycle	Regularly update shared circumvention patterns and indicators	Strengthens detection and prevention capacity
Integrated governance of Articles 8a, 12g, and 12gb	Align best efforts, contractual controls, and due-diligence duties	Makes anti-circumvention obligations more coherent and usable
Structured private-sector intelligence role	Use industry feedback as governed input for enforcement and drafting	Improves real-time visibility into evasion patterns
Whistleblower-tool integration	Link anonymous reporting more directly to typology, guidance, and enforcement workflows	Enhances detection of hidden or planned circumvention
Priority-sector enforcement model	Focus enforcement coordination on the most sensitive circumvention channels	Improves resource allocation and strategic responsiveness
Compliance-support / enforcement-support feedback loop	Connect helpdesk, FAQs, and stakeholder meetings to risk detection	Reduces avoidable non-compliance and over-compliance

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- European Commission. (2025). *Making sanctions effective*.
- European Commission. (2025). *Sanctions against individuals, companies and organisations*.

¹ European Commission. (2026). *Contacts on EU sanctions*.

² European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁴ European Commission. (2024). *"No re-export to Russia" clause*.

⁵ European Commission. (2024). *Enhanced due diligence for operators manufacturing and/or trading with common high priority items*.

- European Commission. (2026). *Contacts on EU sanctions*.
- European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.
- European Commission. (2024). *“No re-export to Russia” clause*.
- European Commission. (2024). *Enhanced due diligence for operators manufacturing and/or trading with common high priority items*.
- European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

The overall conclusion is that the future legal strength of the EU sanctions regime against Russia will depend heavily on whether the Union can move from a system of multiple valuable instruments to a more coherent model of enforcement coordination and anti-circumvention governance. The current regime already contains many of the necessary components: Commission monitoring, NCA networks, the Freeze and Seize Task Force, the High-Level Group, criminal-law harmonisation, typology-based due diligence, contractual no-Russia clauses, enhanced due diligence for high-priority items, the sanctions helpdesk, and the whistleblower tool. What is still needed is stronger integration, clearer priority-setting, and more systematic feedback between operational practice and legal design. In a sanctions regime expected to remain active into 2030, that shift is no longer optional. It is one of the central conditions of maintaining coercive effect without losing legal manageability. Stronger coordination and smarter anti-circumvention governance are therefore not secondary administrative refinements. They are core legal-policy requirements for the next phase of the regime^{1,2,3}.

5.4.4. Monitoring, Periodic Review, and Legal-Quality Feedback Loop

The fourth proposal for the further development of the EU legal sanctions regime should be the creation of a more structured system of monitoring, periodic review, and legal-quality feedback. If sanctions are expected to remain in force and evolve into 2030 and beyond, they cannot be governed only through package adoption and occasional litigation. They require a standing architecture capable of detecting where the regime is functioning well, where it is being circumvented, where implementation is diverging, and where the legal text itself is becoming too complex or too dependent on soft-law repair. The Commission’s overview of sanctions states that Member States are responsible for implementation and enforcement, while the Commission monitors the correct and uniform implementation of EU sanctions and provides guidance to Member States. That statement already contains the kernel of a monitoring model. The problem is that the current architecture still operates through multiple separate channels—renewals, guidance updates, case-law, helpdesk support, whistleblower reporting, enforcement coordination—without yet being fully articulated as one integrated legal-governance cycle. The main proposal of this subsection is therefore to convert those existing instruments into a more visible and methodical review-and-feedback system^{4,5}.

A useful starting point is the fact that the current sanctions regime already operates through periodic renewal cycles. The Council’s sanctions page states that the economic sanctions against Russia have been extended successively for six months at a time since July 2016 and are currently extended until 31 July 2026. The corresponding Council press release of 22 December 2025 confirms the same date and reiterates that the EU remains ready to step up pressure on Russia, including by adopting further sanctions. This means that the Union already has a natural periodic review rhythm at the level of major sectoral measures. The problem is not the absence of review points, but the absence of a more explicit analytical framework for what should be assessed at those points beyond broad political judgment. A durable sanctions system should not only ask whether a measure should be renewed. It should also ask

¹ European Commission. (2025). *Making sanctions effective*.

² European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

³ European Commission. (2026). *Overview of sanctions and related resources*.

⁴ Ibid.

⁵ Council of the European Union. (2026). *Russia’s war against Ukraine: EU sanctions*.

whether it remains legally clear, enforceable, proportionate, resistant to circumvention, and administratively manageable^{1,2}.

The current Commission architecture also already contains part of the institutional basis for a more systematic monitoring model. The overview page explains that DG FISMA prepares proposals for sanctions regulations, represents the Commission in sanctions-related discussions with Member States at the Council Working Party of Foreign Relations Counsellors, and is in charge of monitoring the implementation and enforcement of EU sanctions across all Member States. The same page further states that DG FISMA is increasingly supporting Member States by answering interpretation questions raised by national competent authorities, as well as economic and humanitarian operators. This is significant because it shows that legislative preparation, interpretative support, and monitoring are already linked within a single Commission service. What is still missing is a more formal mechanism by which these monitoring functions are turned into recurring evaluation outputs feeding back into legal refinement. In other words, the institutional spine exists, but the feedback loop still needs clearer articulation³.

The existing sanctions-information infrastructure also supports the case for a formal monitoring model. The same Commission page notes that the EU sanctions map provides comprehensive details of all EU sanctions regimes and their corresponding legal acts, that the consolidated financial-sanctions list is managed and updated whenever necessary to reflect the officially adopted texts, and that the EU sanctions helpdesk offers resources, information, and cost-free personalised help to operators performing sanctions due-diligence checks. These are not merely informational services. They are already functional components of a monitoring environment. The sanctions map reflects the evolving formal perimeter of the regime; the consolidated list reflects the current financial-designation universe; and the helpdesk captures areas where firms experience uncertainty, documentation gaps, or repeated operational difficulty. A stronger legal-quality feedback loop should therefore treat these instruments not only as dissemination tools, but also as sources of structured monitoring data⁴.

The Council's 2024 EU Best Practices for the effective implementation of restrictive measures provide another strong foundation for this approach. The document expressly states that it is kept under constant review and that the RELEX/Sanctions formation meets periodically in a specific configuration whose mandate includes the development of best practices among Member States in the implementation of restrictive measures. This is a remarkably important statement for the proposal section. It means that the Council itself already accepts a permanent monitoring-and-review logic at the implementation level. However, Best Practices remain primarily recommendations and do not yet constitute a fully developed review methodology with defined indicators, reporting formats, or trigger-based amendment logic. The next step should be to build on this existing institutional habit of review and convert it into a more explicit monitoring architecture with stronger output discipline⁵.

The Commission's FAQ and guidance ecosystem is equally relevant because it already functions as a de facto legal-quality monitoring mechanism. The FAQ page lists numerous topic-specific guidance documents, including updates in late 2025 on export-related restrictions, infrastructure transaction bans, state-owned enterprises, banknotes, enhanced due diligence, targeted vessels, and divestment from Russia. The consolidated FAQ page and the topic-specific services FAQ further show that the Commission regularly updates and republishes clarifications as implementation questions evolve. The existence of such a dense update cycle demonstrates that the Commission is already receiving signals about where the legal text is difficult to apply or where new circumvention patterns are emerging. In a more mature regime, these FAQ updates should be treated as monitoring outputs in their own right.

¹ Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

² Council of the European Union. (2025). *Russia's war of aggression against Ukraine: Council extends economic sanctions for a further 6 months*.

³ European Commission. (2026). *Overview of sanctions and related resources*.

⁴ Ibid.

⁵ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

Recurrent clarification needs are often one of the clearest indicators that the law itself may require amendment, consolidation, or re-drafting^{1,2,3}.

Judicial activity provides a further indispensable strand of the feedback loop. Curia's review of judicial activity for 2024 states that Russia-related restrictive measures have generated dozens of cases before the General Court and that those cases illustrate the effort to reconcile the rigour necessary for sanctions effectiveness with the protection of individual rights. The same review records that the General Court's average duration of proceedings in 2024 was 18.5 months, while also showing that restrictive measures were among the principal matters dealt with by the Court. These figures are not just institutional background. They indicate that the sanctions regime is already under sustained legal-quality testing by the judiciary. A mature monitoring system should therefore integrate judgments, appeals, recurring pleas, annulment patterns, and timing data into the periodic review cycle. Courts are not only external reviewers of sanctions. They are one of the most important sensors of hidden drafting weakness, evidentiary fragility, and overbroad legal design⁴.

Enforcement monitoring must also be included. The EUR-Lex summary of Directive (EU) 2024/1226 explains that the directive sets minimum rules on criminal offences and penalties for the violation of Union restrictive measures and requires cooperation among national authorities, the Commission, the EPPO, Eurojust, and Europol. That makes the directive much more than a symbolic hardening of sanctions law. It provides a legal basis for more comparable enforcement data and for a more structured view of how violations are detected, prosecuted, and sanctioned across Member States. In proposal terms, this means that the next phase of sanctions governance should not treat enforcement outcomes as national black boxes. It should use the directive to create a regularised enforcement-observation layer within the wider review model. The long-term resilience of the regime depends on whether serious breaches can be monitored as systematically as legislative amendments are monitored^{5,6}.

The first concrete proposal is therefore to establish a formal EU sanctions monitoring framework built on five integrated pillars: legal-text monitoring, implementation monitoring, enforcement monitoring, litigation monitoring, and operator-feedback monitoring. Legal-text monitoring would track amendments, annex changes, new derogations, and new anti-circumvention provisions. Implementation monitoring would assess NCA practice, authorisation patterns, and divergence risks. Enforcement monitoring would focus on violations, referrals, investigations, and penalties. Litigation monitoring would map recurring grounds of challenge, annulments, appeals, and timing. Operator-feedback monitoring would draw on helpdesk interactions, stakeholder meetings, FAQ update demand, and whistleblower signals. This structure does not require the creation of an entirely new institution; it requires the existing institutions to work within a more disciplined review grammar^{7,8,9}.

The second proposal is to adopt a more explicit periodic review calendar for sanctions quality, distinct from but linked to the existing renewal calendar. The current six-month renewal cycle for economic sanctions is an obvious anchor, but not every kind of review needs to occur at the same interval. The Union should therefore distinguish at least three review frequencies. A continuous review layer would cover urgent circumvention alerts, FAQ updates, and major judgments. A semi-annual review layer would align with sectoral sanctions renewals and focus on implementation trends, legal clarity, and

¹ European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

² European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ European Commission. (2026). *Provision of services: Frequently asked questions on sanctions against Russia and Belarus, with focus on Article 5n of Council Regulation (EU) No 833/2014*.

⁴ Court of Justice of the European Union. (2025). *Judicial activity 2024*.

⁵ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

⁶ Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.

⁷ European Commission. (2026). *Overview of sanctions and related resources*.

⁸ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

⁹ Court of Justice of the European Union. (2025). *Judicial activity 2024*.

high-risk evasion sectors. An annual review layer would examine the regime more holistically, including legal-quality trends, judicial outcomes, helpdesk patterns, and criminal-enforcement developments. Such a calendar would make monitoring less reactive and more institutionalised^{1,2,3}.

The third proposal is to define a common set of monitoring indicators. The present regime already generates many forms of relevant information, but they are not yet clearly organised into a stable indicator framework. For legal-quality purposes, the Union should monitor the number of repeated FAQ clarifications required for the same provision, the frequency of litigation on the same legal ground, and the recurrence of amendments targeting the same loophole. For implementation purposes, it should track authorisation categories, average processing times, refusal patterns, and reported divergence questions from NCAs. For enforcement purposes, it should monitor cases opened, referrals made, breaches detected, and cooperation patterns under Directive 2024/1226. For anti-circumvention purposes, it should track typologies identified, sectors affected, use of whistleblower input, and red-flag concentrations. Such indicators would not eliminate judgment, but they would make periodic review far more evidence-based^{4,5,6}.

Table 5.4.4-1. Proposed monitoring architecture for the EU legal sanctions' regime

Monitoring pillar	Core questions	Suggested indicators	Main existing source base
Legal-text monitoring	Is the regime becoming clearer or more fragmented?	Number of amendments per cluster, repeated FAQ clarifications, recurring recitals-to-rule mismatches	EUR-Lex acts, Commission FAQs, Council package materials
Implementation monitoring	Are Member States applying similar rules in sufficiently similar ways?	Volume and category of derogation requests, indicative processing times, refusal patterns, frequent NCA queries	NCAs, Commission guidance requests, Council Best Practices processes
Enforcement monitoring	Are serious violations and circumvention being detected and pursued consistently?	Referrals, investigations, prosecutions, cooperation requests, penalties imposed	Directive (EU) 2024/1226 framework, national data, Commission monitoring
Litigation monitoring	Where is the regime under greatest judicial strain?	Number of cases, recurring pleas, annulments, appeals, average duration of proceedings	Curia annual review, General Court and Court of Justice case flow
Operator-feedback monitoring	Where are lawful actors struggling most with clarity or over-compliance?	Helpdesk requests, stakeholder-meeting themes, whistleblower reports, recurring compliance questions	Sanctions helpdesk, Commission FAQs, whistleblower tool
Anti-circumvention monitoring	Where are the main evasion patterns emerging?	Typologies identified, sectors affected, third-country routing signals, red-flag concentrations	Commission due-diligence guidance, Freeze and Seize / REPO-linked work, customs and trade analysis

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- European Commission. (2026). *Overview of sanctions and related resources*.
- European Commission. (2025). *Making sanctions effective*; European Commission. (2026). *Contacts on EU sanctions*.

¹ Council of the European Union. (2025). *Russia's war of aggression against Ukraine: Council extends economic sanctions for a further 6 months*.

² Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

³ European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ European Commission. (2025). *Making sanctions effective*.

⁵ European Commission. (2026). *Contacts on EU sanctions*.

⁶ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

- European Commission. (2026). *Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures.*
- Court of Justice of the European Union. (2025). *Judicial activity 2024.*
- European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures.*

The fourth proposal is to require more systematic periodic reporting from national competent authorities. The current Commission overview confirms that Member States are responsible for implementation and enforcement and that the Commission provides guidance and monitors uniform implementation. The logical next step is to make monitoring less dependent on ad hoc information flows. NCAs should report periodically on a common minimum set of matters: the number and type of derogation applications received; average handling times; categories of refusal; recurring interpretative difficulties; and instances in which national authorities believe legislative clarification is needed. This would not require public disclosure of sensitive case details. It would require structured aggregation sufficient to identify convergence problems and legal-pressure points. In a system built on decentralised enforcement, periodic NCA reporting is one of the most basic missing links in the feedback chain^{1,2}.

The fifth proposal is to create a dedicated legal-quality review layer drawing on litigation and interpretative practice. Curia's judicial-activity review already shows that restrictive measures in the context of the war in Ukraine have generated dozens of cases and that the General Court is playing an active role in reconciling sanctions rigour with the protection of individual rights. The Commission's dense FAQ environment shows, in parallel, where operators and authorities repeatedly need clarification. These two streams should be read together rather than separately. If the same legal questions recur simultaneously in litigation and in guidance requests—e.g., indirect benefit, best efforts, litigation-related carve-outs, or the scope of a derogation—that should be treated as a formal signal that the legal text may need revision. A legal-quality review layer would therefore not merely summarise judgments. It would identify patterns of legal stress and propose targeted drafting improvement^{3,4}.

The sixth proposal is to formalise an operator-facing feedback loop built around the sanctions' helpdesk, stakeholder meetings, and frequently asked questions. The overview page states that the helpdesk supports European operators, especially SMEs, with cost-free personalised help for sanctions due-diligence checks, and the January 2026 Commission feature on “real SMEs, real sanctions compliance stories” confirms that the helpdesk had been supporting SMEs and other organisations since March 2025. That same feature shows how firms experience real pressure from unclear documentation expectations, bank pushback, and due-diligence burdens. Such evidence should not remain anecdotal. It should be systematised and fed into periodic review, because operator difficulties are often the earliest sign that a legal rule is becoming over-complex, under-specified, or vulnerable to over-compliance. A monitoring model that ignores operator experience will detect problems too late^{5,6}.

The seventh proposal is to integrate the EU sanctions whistleblower tool more directly into the review cycle. The overview page explains that sharing information about sanctions violations can contribute to the success of ongoing investigations and increase the effectiveness of EU sanctions, while the whistleblower page states that reports can be made anonymously through a highly secure online platform managed by the Commission. In a mature sanctions' regime, such information should not be treated only as case-specific enforcement intelligence. Aggregated reporting patterns can also reveal where breaches are recurring, which sectors are most vulnerable, and whether certain anti-

¹ European Commission. (2026). *Overview of sanctions and related resources.*

² Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures.*

³ Court of Justice of the European Union. (2025). *Judicial activity 2024.*

⁴ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

⁵ European Commission. (2026). *Overview of sanctions and related resources.*

⁶ European Commission. (2026). *Real SMEs, real sanctions compliance stories.*

circumvention devices are being systematically bypassed. The Union should therefore use whistleblower information, in anonymised and aggregated form where necessary, as one of the feedback inputs for monitoring and legal recalibration. Anonymous reporting is not only an enforcement tool. It is also an indicator of hidden implementation stress^{1,2}.

The eighth proposal is to include a more explicit independent evaluation component within the periodic-review system. The current regime is strong in internal monitoring: the Commission monitors implementation, the Council reviews and renews measures, Best Practices are under constant review, and the courts test legal quality through litigation. But internal review alone may not always capture cumulative complexity, operator burden, or the relationship between legal design and real circumvention behaviour. The Union should therefore consider commissioning periodic independent analytical assessments focused specifically on legal quality, implementation divergence, and anti-circumvention effectiveness. Such assessments would not replace institutional judgment. They would provide an external perspective capable of identifying blind spots, especially in technically complex sectors where legal drafting, compliance burden, and enforcement practice interact in subtle ways. In long-duration sanctions, some degree of structured outside evaluation is a strength, not a concession^{3,4,5}.

The ninth proposal is to establish clear adjustment triggers. Monitoring without trigger logic easily degenerates into information accumulation without reform. A stronger regime should define, at least internally, what kinds of signals justify legislative amendment, guidance revision, enhanced enforcement coordination, or further diplomatic engagement. Repeated litigation losses or recurring adverse judicial observations should trigger legal-text review. Heavy reliance on repeated FAQ clarification for the same issue should trigger drafting review. Strong clustering of whistleblower reports or typology alerts in one sector should trigger anti-circumvention review. Persistent divergence in NCA practice should trigger coordination and possible procedural standardisation. Trigger-based governance would make periodic review more action-oriented and reduce the current reliance on diffuse institutional intuition^{6,7,8}.

Table 5.4.4-2. Proposed adjustment triggers within the EU sanctions monitoring and review cycle

Trigger type	Typical signal	Recommended response
Legal-quality trigger	Repeated litigation on the same drafting weakness; adverse judicial observations; recurring ambiguity	Redraft the provision, tighten the scope, or clarify the operative text in the next package
Guidance overload trigger	Repeated FAQ updates on the same issue; constant operator confusion	Convert recurrent soft-law clarifications into legislative text or structured annex guidance
Implementation divergence trigger	NCAs interpret similar derogations or obligations in markedly different ways	Issue common procedural templates, coordinated guidance, or targeted Best Practices update
Enforcement trigger	Low follow-through on serious violations, uneven prosecution patterns, weak reporting on criminal cases	Strengthen Directive 2024/1226 implementation review and operational coordination

¹ European Commission. (2026). *Overview of sanctions and related resources*.

² European Commission. (2026). *EU sanctions whistleblower tool*.

³ Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

⁴ Court of Justice of the European Union. (2025). *Judicial activity 2024*.

⁵ European Commission. (2025). *Making sanctions effective*.

⁶ Ibid.

⁷ European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁸ Court of Justice of the European Union. (2025). *Judicial activity 2024*.

Trigger type	Typical signal	Recommended response
Circumvention trigger	New typologies, repeated third-country routing, clustered whistleblower alerts, sector-specific evasion growth	Launch targeted anti-circumvention package, revise due-diligence expectations, intensify external engagement
Over-compliance trigger	Helpdesk patterns and stakeholder feedback show repeated lawful transactions blocked out of caution	Clarify lawful pathways, publish model guidance, improve derogation visibility
Strategic-coherence trigger	Pressure objective increasingly pursued through separate regulatory regimes rather than sanctions law alone	Review the fit between sanctions law and adjacent regulatory instruments

Authorship: analytical framework (this report) was prepared by the author.

Sources:

- European Commission. (2025). *Making sanctions effective*.
- European Commission. (2026). *Overview of sanctions and related resources*.
- European Commission. (2026). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2026). *EU sanctions whistleblower tool*.
- Court of Justice of the European Union. (2025). *Judicial activity 2024*.
- Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

The tenth proposal is to make the monitoring system more closely linked to package preparation. The current sanctions process, as explained by the Council, already runs through a structured institutional pathway. But that pathway can be strengthened if monitoring outputs are fed into it in a more systematic way. Semi-annual and annual review outputs should identify which legal clusters are working with relatively low friction, which are generating recurring implementation burdens, and which are repeatedly exposed to circumvention or litigation. This would improve legislative selectivity and reduce the risk of unnecessary proliferation of poorly integrated provisions. Strong monitoring should not produce more law automatically. It should produce better-targeted law. In the long term, that is how periodic review supports both effectiveness and restraint^{1,2}.

The eleventh proposal is to ensure that the monitoring architecture also captures external-alignment and perimeter effects. The January 2026 statement by the High Representative on the alignment of certain countries with the prolongation of restrictive measures until 31 July 2026 shows that third-country alignment remains relevant to the wider sanctions ecosystem. A review system focused only on internal EU law would miss an important dimension of effectiveness: whether the legal perimeter of containment is widening, holding, or narrowing. In practical terms, the Union should monitor not only its own prohibitions and enforcement activity but also the degree to which partner-country alignment supports or weakens the real reach of the regime. External alignment is not a substitute for EU legal quality, but it is an important contextual indicator for medium-term policy adaptation^{3,4}.

The twelfth proposal is to treat monitoring and review not merely as a technical afterthought, but as a core element of the legal quality of the sanctions' regime itself. A sanctions system intended to remain in force across multiple years, economic sectors, and litigation cycles must be able to learn from its own operation. The Union already possesses many of the necessary instruments: regular renewals, Commission monitoring, Best Practices under constant review, helpdesk support, the whistleblower tool, a growing guidance corpus, judicial scrutiny, and a new enforcement directive. The task for 2026–

¹ Council of the European Union. (2025). *How the EU adopts and reviews sanctions*.

² Council of the European Union. (2026). *Russia's war against Ukraine: EU sanctions*.

³ Council of the European Union. (2026). *Statement by the High Representative on behalf of the European Union on the alignment of certain countries concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine*.

⁴ Council of the European Union. (2025). *Russia's war of aggression against Ukraine: Council extends economic sanctions for a further 6 months*.

2030 is to connect those instruments into a coherent legal-governance cycle. Properly designed, monitoring does not weaken sanctions by making them hesitant. It strengthens sanctions by making them more precise, more enforceable, and more resilient under pressure. In that sense, a stronger monitoring and feedback architecture is not supplementary to sanctions law. It is part of what will make the regime legally durable in the next phase^{1,2,3}.

¹ European Commission. (2026). *Overview of sanctions and related resources*; Council of the European Union. (2024). *EU Best Practices for the effective implementation of restrictive measures*.

² Court of Justice of the European Union. (2025). *Judicial activity 2024*.

³ European Union. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*.

PART SIX

Hybrid Sanctions Measures

6.1. Definition of Hybrid Sanctions

6.1.1. Hybrid Sanctions as a Cross-Domain Restrictive Architecture

Hybrid sanctions should be defined not as a separate legal category in the narrow formal sense, but as a mode of sanctions design and operation in which restrictive effect is generated through the simultaneous interaction of several policy domains rather than through a single isolated channel. In the EU–Russia context, this means that a given measure often works at once through legal prohibition, commercial risk re-pricing, service denial, logistics disruption, compliance escalation, and reputational deterrence. The key analytical point is that pressure is no longer transmitted solely by the black-letter rule itself; it is transmitted by the wider operational environment that the rule activates. This is why contemporary sanctions against Russia cannot be understood adequately if they are described only as “political”, “economic”, or “legal” measures in separation. The current EU regime explicitly combines listings, trade controls, service prohibitions, anti-circumvention measures, guidance, and enforcement support into a broader architecture of cumulative restriction. In that architecture, the legal act is only the starting node of a much wider chain of behavioural effects. Hybrid sanctions are therefore best understood as cross-domain restrictive architectures whose practical force derives from interaction effects between law, markets, infrastructures, and compliance systems rather than from any single prohibition taken in isolation^{1,2}.

This definition is consistent with the broader evolution of the EU sanctions regime since 2022. The Union’s measures have developed not merely by adding more prohibited goods or more listed persons, but by thickening the connective tissue between sectors, operators, and implementation layers. The sanctions timeline itself shows a cumulative sequence in which packages increasingly target not only direct transactions with Russia, but also facilitation routes, enabling services, intermediary actors, and specific infrastructural nodes. Such development matters analytically because it indicates a transition from a predominantly sectoral model to a more systemic one. Once sanctions begin to regulate shipping access, service provision, reporting obligations, due diligence expectations, beneficial-ownership concealment, and anti-circumvention patterns, they cease to function as discrete economic measures alone. Instead, they become governance mechanisms shaping the whole ecology of permissible and risky behaviour. A hybrid sanctions regime is therefore one in which the object of restriction is not only the targeted state or entity, but also the network of relationships that enables targeted activity to continue. This network orientation is one of the clearest markers of hybridisation in the EU approach towards Russia^{3,4}.

The practical significance of this shift is visible in the way recent EU packages have been framed and justified. The Council’s presentation of the sixteenth package already described it as a wide-ranging set of economic and individual restrictive measures touching “vital sectors” of the Russian economy, while later package explanations emphasised services, infrastructure, and anti-circumvention tools alongside more conventional sectoral controls. A think-tank reading of the fourteenth package likewise stressed

¹ European Commission. (2026). *EU sanctions against Russia following the invasion of Ukraine*.

² Council of the European Union. (2025). *Russia’s war against Ukraine: EU sanctions*.

³ Ibid.

⁴ Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.

that the package had a “strong anti-circumvention angle”, which is revealing because anti-circumvention is not a separate sector like energy or finance. It is a cross-cutting enforcement logic that operates across sectors simultaneously. In other words, the EU has increasingly moved from regulating only the main transaction to regulating the pathways through which the same transaction could be disguised, outsourced, fragmented, or rerouted. That move is a hallmark of hybrid sanctions design. It shows that the relevant policy object is no longer only the direct Russia-facing act, but the total operational chain through which strategic capability, revenue, logistics, or specialised services are maintained. Hybrid sanctions thus describe not merely tougher sanctions, but sanctions that are architected to affect the enabling environment of targeted conduct^{1,2}.

At the legal level, hybridisation begins when sanctions are drafted so as to capture indirect benefit, substitution, and circumvention rather than only straightforward primary dealings. Article 12 of Regulation 833/2014 prohibits participation, knowingly and intentionally, in activities whose object or effect is to circumvent prohibitions in that Regulation. This matters conceptually because a regime centred only on direct bans would remain comparatively linear. By contrast, a regime that also regulates conduct designed to replicate forbidden outcomes through proxies, substitutes, altered transaction chains, or formally separate intermediaries has already moved into a hybrid space. The legal rule is no longer concerned only with the nominal form of a transaction, but with its practical function inside a wider network. This broadens the restrictive perimeter from visible frontline conduct to enabling conduct. It also forces regulators and private operators to think in relational rather than purely textual terms. Hybrid sanctions therefore begin in law not when a new label is invented, but when the law itself starts targeting the ecology of circumvention^{3,4}.

Yet the legal channel alone does not make sanctions hybrid. Their hybrid character emerges fully only when formal rules are translated into operational guidance, sector-specific FAQs, interpretative maintenance, and repeated clarifications that shape how businesses, banks, insurers, freight operators, technology suppliers, and advisers actually behave. The European Commission’s sanctions pages and thematic FAQ architecture show precisely this maintenance function. There are dedicated interpretative materials on services, vessels, infrastructure transaction bans, state-owned enterprises, dual-use export restrictions, enhanced due diligence, and multiple other topics. Such an ecosystem of guidance does more than explain the law; it actively structures risk perception and therefore market behaviour. In practice, many firms do not wait for litigation or administrative sanction before adjusting conduct; they respond to the combined signal of legal text, guidance, enforcement trends, and reputational exposure. This interpretative layer is therefore part of the sanctions instrument itself. Hybrid sanctions must accordingly be defined as measures whose effect depends not only on the formal act of prohibition, but also on the sustained production of operational meaning through compliance-oriented guidance^{5,6}.

A further element of hybridisation lies in the role of service denial. Classical sanction analysis often privileged goods, capital, and asset measures, but the Russia regime shows that services can be equally decisive because they govern access to the enabling expertise without which complex economic activity becomes slower, riskier, and costlier. Restrictions on legal advisory, accounting, business consulting, software, maritime services, and other professional or technical functions do not simply remove one market input; they degrade the organisational environment in which adaptation would otherwise occur. This is a highly hybrid form of pressure because it couples legal prohibition with managerial disruption,

¹ Council of the European Union. (2025, February 24). *Three years of Russia’s full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

² Sibona, M. (2024, October 9). *Tackling circumvention of EU sanctions*. Jacques Delors Institute.

³ Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine (consolidated version of 20 July 2025).

⁴ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

⁵ European Commission. (2025). *Frequently asked questions — Sanctions against Russia*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

⁶ European Commission. (2026, January 23). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

due-diligence intensification, and the fragmentation of transnational business support networks. The service channel is also especially hybrid because it sits at the boundary between law and market infrastructure. When an operator is denied a specialist service, the impact is partly legal, partly commercial, partly organisational, and partly informational. The result is not only a lost transaction, but a reduction in the target's capacity to coordinate substitutes, manage compliance risk, or maintain access to high-trust international ecosystems. Hybrid sanctions therefore operate as capability-degrading measures at the level of institutional support, not only at the level of commodities and finance^{1,2}.

Logistics provides another clear example of why the term “hybrid” is analytically justified. Measures affecting vessels, ports, maritime services, routing patterns, and oil-transport practices are not simply transport sanctions in the ordinary commercial sense. They operate through the intersection of legal rules, shipping intelligence, insurance controls, flag-state decisions, private-sector screening, and coalition enforcement practices. The updated Price Cap Coalition maritime advisory illustrates this clearly by addressing both governments and private-sector actors and by emphasising best practices designed to disrupt sanctioned trade and enhance compliance. A measure of this kind acts simultaneously through regulation, detection, self-policing, and transaction-cost escalation. It also relies on behavioural change by operators who are not themselves the original target state. That indirectness is central to hybrid sanctions. Pressure is generated by altering the risk environment of the whole transport and services chain rather than merely banning a single shipment^{3,4}.

The same is true of the criminal-enforcement layer now built into EU sanctions governance. Directive (EU) 2024/1226 makes clear that effective application of Union restrictive measures requires effective, proportionate, and dissuasive penalties, and expressly states that those penalties must also address circumvention. The Directive additionally treats false or misleading information used to conceal beneficial ownership and other circumvention-related conduct as criminally relevant, while also requiring statistical recording, inter-authority cooperation, and frequent information-sharing on patterns of circumvention. This is important because it embeds sanctions inside a wider enforcement architecture that includes criminal law, information systems, data collection, and cross-border cooperation. Once sanctions are linked to criminalisation, reporting channels, beneficial-ownership concealment, data-sharing, and strategic enforcement planning, they clearly exceed the boundaries of a conventional trade or diplomatic measure. They become hybrid governance instruments connecting external policy with internal enforcement infrastructures. That internal–external fusion is one of the strongest reasons why hybrid sanctions should be treated as a distinct analytical class within the report⁵.

For that reason, hybrid sanctions should not be confused with a vague notion of “mixed” sanctions. All complex sanction regimes contain more than one element, but not all of them deserve to be classified as hybrid in the stronger analytical sense. The term should be reserved for cases in which restrictive effect is intentionally or structurally generated through cross-domain interaction between legal, economic, service, logistical, informational, and compliance channels. A simple asset freeze is not hybrid merely because it has economic consequences. It becomes hybrid when its practical force depends on beneficial-ownership tracing, reporting duties, de-risking behaviour by financial institutions, reputational exclusion, and anti-circumvention policing across jurisdictions. Likewise, a trade ban is not hybrid solely because it affects supply chains. It becomes hybrid when enforcement shifts to intermediary jurisdictions, shadow shipping, service denials, customs intelligence, and operator due

¹ European Commission. (2026, January 22). *Provision of services*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

² European Commission. (2025). *Frequently asked questions — Sanctions against Russia*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

³ Ibid.

⁴ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Publication of updated Price Cap Coalition advisory for the maritime oil industry and related sectors*.

⁵ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

diligence. The concept must therefore remain precise. Hybrid sanctions are not synonymous with complexity in general. They denote a specific cross-domain mode of restrictive governance^{1,2}.

This distinction is especially important when differentiating hybrid sanctions from “purely” political sanctions. Political sanctions primarily operate by signalling, delegitimation, diplomatic downgrading, representational exclusion, or elite stigmatisation. Their main transmission mechanism is normative and symbolic pressure, even if secondary practical effects follow. Hybrid sanctions, by contrast, do not rely chiefly on message transmission. Their central feature is operational multi-channel restriction. They shape whether transactions can be insured, whether services can be supplied, whether vessels can enter ports, whether intermediaries will assume risk, whether concealed ownership can remain hidden, and whether compliance departments will treat a transaction as too dangerous to touch. Political sanctions may contribute to the climate in which hybrid sanctions are received, but they are not the same instrument family. The former speak to diplomatic status and legitimacy. The latter redesign the operational environment in which prohibited or high-risk conduct becomes harder to perform^{3,4}.

Nor should hybrid sanctions be collapsed into “economic sanctions” as a generic label. Economic sanctions in the narrower sense typically refer to direct restrictions on trade, finance, investment, imports, exports, or access to specified goods and markets. Hybrid sanctions may contain all of those elements, but their distinctive quality lies in the fact that they work through the enabling systems around economic exchange rather than only through the exchange itself. The relevant target is therefore not only value transfer, but the infrastructure of value transfer: services, compliance, information, routing, documentation, ownership opacity, risk screening, and intermediary conduct. This matters analytically because the effectiveness of hybrid measures is often less visible in headline trade or finance statistics. Their effect appears instead in rising transaction friction, longer lead times, reduced service quality, narrower routing options, and higher dependence on opaque or costly intermediaries. If one calls all such effects simply “economic”, the operational specificity of the mechanism is lost. Hybrid sanctions are thus a subset of broader coercive policy, but they are not reducible to ordinary economic restriction^{5,6,7}.

The distinction from legal sanctions is equally necessary. Legal sanctions, as analysed in Part Five of the present report, concern the normative construction, legal authority, judicial defensibility, derogations, and enforceability of restrictive measures as law. Hybrid sanctions, by contrast, concern the way that law is operationally distributed across multiple domains and made effective through networks of private and public behaviour. Every hybrid sanction has a legal basis, but its analytical identity is not exhausted by that basis. The focus shifts from doctrinal validity to transmission ecology. One asks not only whether the rule is lawful and precise, but how the rule interacts with market aversion, compliance screening, logistics intelligence, service fragmentation, beneficial-ownership opacity, and coalition cooperation. In this sense, legal sanctions answer the question “what is prohibited and on what authority?”, whereas hybrid sanctions answer the question “through which interconnected channels does the prohibition actually produce pressure?”. The two categories overlap, but they do not coincide^{8,9}.

A decisive feature of hybrid sanctions is the central role of private operators as transmission mechanisms. In more classical sanction models, the state could appear as the almost exclusive actor

¹ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

² Sibona, M. (2024, October 9). *Tackling circumvention of EU sanctions*. Jacques Delors Institute.

³ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁴ European Commission. (2026). *EU sanctions against Russia following the invasion of Ukraine*.

⁵ Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.

⁶ European Commission. (2025). *Frequently asked questions — Sanctions against Russia*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

⁷ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Publication of updated Price Cap Coalition advisory for the maritime oil industry and related sectors*.

⁸ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

⁹ European Commission. (2026, January 23). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

imposing and supervising the measure. In the current EU architecture, however, banks, insurers, freight forwarders, port service providers, software vendors, law firms, commodity traders, certification actors, and compliance officers all become distributed enforcement nodes. Their incentives are shaped by a mixture of formal obligations, criminal liability risk, supervisory scrutiny, commercial caution, and reputational concern. This private-sector intermediation means that the real perimeter of the sanction often extends beyond the minimum legal perimeter. Some operators will decline borderline business even where a narrowly arguable lawful route may still exist. That is not an accidental side effect. It is part of how hybrid sanctions generate pressure. The measure works because the regulated environment becomes denser, less predictable for circumvention, and more expensive to navigate. Hybrid sanctions therefore rest on co-produced enforcement between public law and private risk governance^{1,2}.

This private-public co-production also explains why information is so central to hybrid sanctions. A traditional embargo can often be described in terms of a binary legal prohibition. A hybrid sanctioning environment requires continuous updating of who owns what, who controls whom, which vessel is masking activity, which jurisdiction is emerging as a rerouting corridor, which service contract creates indirect benefit, and which corporate structure conceals sanctioned exposure. Such environments are characterised by asymmetries of information and by repeated attempts to exploit those asymmetries. The Directive's emphasis on beneficial-ownership concealment, statistical recording, and cooperation on circumvention patterns reflects this problem directly. The Commission's rolling FAQ system also reflects it indirectly, because interpretative maintenance is needed precisely where actors test the margins of existing rules. Hybrid sanctions are therefore information-intensive instruments. Their effectiveness depends on the capacity to see the network well enough to disrupt it without overgeneralising so broadly that proportionality and legal certainty collapse^{3,4}.

Another important definitional point is that hybrid sanctions operate through both direct and indirect coercive effects. Direct effects arise where a transaction, service, or route is formally prohibited. Indirect effects arise where market actors, compliance teams, or service providers withdraw because the legal, operational, or reputational environment has become too risky. In practice, the indirect channel is often as consequential as the direct one. Russia may still access certain goods or capabilities through intermediaries, but at higher cost, lower quality, longer lead times, and greater dependence on opaque networks. Those frictions are not incidental noise; they are part of the sanction's coercive design. Hybrid sanctions therefore do not require perfect closure to be meaningful. Their success may lie in degrading efficiency, compressing legitimate options, and forcing reliance on more fragile or more expensive substitutes. This is another reason why conventional binary assessments of sanctions frequently miss the true mechanism at work^{5,6,7}.

In policy terms, one may therefore define hybrid sanctions as measures that target not merely a person, entity, product, or financial flow, but an enabling system. That enabling system may include logistical corridors, shipping arrangements, insurance and reinsurance, software and professional services, legal structuring, beneficial-ownership concealment, trade finance, licensing pathways, data opacity, or intermediary jurisdictions. The distinctive characteristic is that the sanction is designed or operates so as to reshape the environment in which targeted activity is organised. Its object is functional capability, not only formal transaction volume. Such a definition also captures why hybrid sanctions matter particularly in long-duration conflicts. Over time, the target adapts; therefore, sanctions that remain

¹ European Commission. (2026, January 23). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

² European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.*

³ Ibid.

⁴ European Commission. (2026, January 23). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

⁵ Sibona, M. (2024, October 9). *Tackling circumvention of EU sanctions.* Jacques Delors Institute.

⁶ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Publication of updated Price Cap Coalition advisory for the maritime oil industry and related sectors.*

⁷ European Commission. (2026). *EU sanctions against Russia following the invasion of Ukraine.*

fixed only on the original front-end transaction become progressively less effective. Hybrid sanctions respond by moving deeper into the enabling architecture of adaptation itself. In the EU case, that movement is visible in the growing importance of anti-circumvention, targeted vessels, enhanced due diligence, service-specific FAQs, infrastructure transaction bans, and service-related controls^{1,2,3}.

For analytical clarity in this report, the concept can be synthesised in the following operational matrix.

Table 6.1.1-1. Hybrid sanctions as a cross-domain restrictive architecture

Domain/channel	Typical instrument	Immediate mechanism	Secondary transmission effect	Why this is hybrid rather than “pure”
Legal-regulatory	Direct prohibitions, anti-circumvention clauses, criminalisation of violations	Defines prohibited conduct and expands liability perimeter	Encourages ex ante withdrawal by operators and advisers	Law is used to alter wider behaviour beyond the nominal addressee
Economic-commercial	Trade bans, financial restrictions, transaction bans	Cuts or limits direct exchange	Re-prices risk, raises transaction costs, narrows partner options	Economic restriction is reinforced by non-market compliance and service effects
Service-professional	Bans on specified business, advisory, software, and technical services	Denies enabling expertise	Degrades organisational capability and slows substitution	Pressure works through capability erosion, not only through commodity denial
Logistics-maritime	Vessel listings, port-access bans, maritime screening, coalition advisories	Disrupts transport and shipping routes	Forces rerouting, opacity, cost inflation, and reliance on weaker intermediaries	Restriction operates through infrastructure, insurance, data, and private-sector controls
Compliance-information	FAQs, due-diligence expectations, reporting duties, ownership scrutiny	Makes high-risk conduct more visible and less defensible	Produces de-risking, self-policing, and over-compliance at the margins	The sanction effect is co-produced by public law and private governance
Intermediary-jurisdictional	Measures addressing rerouting and facilitation through third countries	Narrows circumvention corridors	Shifts pressure from primary target to enabling networks	The object of restriction is the surrounding ecosystem, not only the final counterparty

Authorship: prepared by the author on the basis of official EU legal and institutional sources, coalition enforcement materials, and cited analytical literature

Sources:

- Council of the European Union. (2025). *Russia’s war against Ukraine: EU sanctions*.
- Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.
- Council of the European Union. (2025, February 24). *Three years of Russia’s full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.
- European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.
- Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine (consolidated version of 20 July 2025).
- European Commission. (2026, January 22). *Provision of services*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

¹ Council of the European Union. (2025). *Russia’s war against Ukraine: EU sanctions*.

² European Commission. (2025). *Frequently asked questions — Sanctions against Russia*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

³ European Commission. (2026, January 22). *Provision of services*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

- European Commission. (2026, January 23). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- European Commission. (2025). *Frequently asked questions — Sanctions against Russia.* Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Publication of updated Price Cap Coalition advisory for the maritime oil industry and related sectors.*
- Sibona, M. (2024, October 9). *Tackling circumvention of EU sanctions.* Jacques Delors Institute.

The matrix shows that the concept of hybrid sanctions is not an exercise in terminological inflation. It identifies a real transformation in the architecture of coercive policy. Restrictive measures against Russia increasingly work by combining formal legal rules with distributed enforcement, private-sector aversion, service denial, routing disruption, and information-driven anti-circumvention. This is why the analytical vocabulary of purely political or purely economic sanctions has become insufficient. It captures the formal surface of the regime but not its operational depth. A Brussels-level assessment that ignores this would systematically underestimate both the sophistication of the current EU framework and the complexity of Russia's adaptation pathways. The hybrid concept is therefore not a stylistic addition to the report. It is necessary to explain how contemporary sanctions generate pressure under conditions of institutional adaptation, commercial rerouting, and networked circumvention^{1,2,3}.

From the perspective of the Russian case specifically, this conceptualisation is especially useful because adaptation since 2022 has rarely taken the form of simple legal defiance. More often, it has taken the form of substitution through third countries, alternative service providers, opaque ownership structures, fragmented routing, and shadow infrastructures. A sanctions framework designed only for direct bilateral restriction would be poorly suited to that environment. The EU's progressive move towards targeted vessels, enhanced due diligence, service-specific FAQs, infrastructure transaction bans, criminalisation of circumvention-related conduct, and repeated interpretative updates therefore reflects structural necessity rather than bureaucratic overproduction. The target of policy is not only Russia's immediate access to particular goods or transactions, but the resilience of the adaptive networks that sustain that access over time. Defining hybrid sanctions as cross-domain restrictive architectures captures that necessity with greater precision than older terminology. It also prepares the conceptual ground for the subsequent subsections of Part Six, which will examine anti-circumvention measures, logistics, service ecosystems, facilitation infrastructures, and effectiveness indicators as mutually connected rather than analytically isolated fields^{4,5,6}.

A final definitional conclusion follows from the foregoing analysis. Hybrid sanctions should be treated in this report as a cross-domain restrictive architecture in which legal acts, market responses, logistics controls, service denials, informational screening, and compliance infrastructures operate in combination to constrain, degrade, or raise the cost of targeted state capability and its adaptive support networks. Their distinguishing feature is not merely severity, nor merely multiplicity, but the structured interaction of domains that would traditionally have been analysed separately. Therefore, they are (1) different from purely political measures, which primarily signal and stigmatise; (2) different from purely economic measures, which primarily restrict direct exchange; and (3) different from purely legal measures, which primarily define normative authority and formal obligation. Hybrid sanctions reside at the point where these logics intersect and become operationally inseparable. For the purposes of Part Six, this definition should serve as the baseline conceptual formulation. It is sufficiently precise to

¹ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions.*

² European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.*

³ Sibona, M. (2024, October 9). *Tackling circumvention of EU sanctions.* Jacques Delors Institute.

⁴ European Commission. (2025). *Frequently asked questions — Sanctions against Russia.* Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

⁵ European Commission. (2026, January 23). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

⁶ Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022.*

preserve analytical discipline, yet broad enough to capture the actual architecture of EU sanctions practice against Russia as it has evolved by 2025–2026^{1,2,3}.

6.1.2. Mechanisms of Hybridisation: Law, Market Behaviour, and Enabling Infrastructures

The mechanism of hybridisation in sanctions policy begins with a basic structural fact: the restrictive effect of a measure is no longer generated solely by the formal prohibition written in the legal act, but by the interaction between that prohibition and a wider field of economic, logistical, informational, and compliance responses. In the EU–Russia case, the law establishes the initial perimeter of forbidden conduct, but the practical force of the measure emerges only when private operators, partner jurisdictions, insurers, banks, freight intermediaries, software suppliers, and supervisory bodies internalise the new risk environment. This means that the sanction does not operate as a simple command followed by a binary compliance decision. It operates as a cascading process in which the legal norm reshapes incentives, transaction design, routing choices, documentation standards, and tolerance for ambiguity. In this sense, hybridisation is a mechanism of multiplication: one rule produces several layers of behavioural adjustment that exceed the minimum textual scope of the rule itself. The legal act therefore functions as an activating instrument rather than the sole carrier of coercive pressure. Once this is understood, it becomes clear why identical formal prohibitions can produce very different real-world effects depending on the density of compliance expectations, the structure of enabling infrastructures, and the degree of coordination among public and private actors. Hybridisation is thus not an ornament added to sanctions analysis. It is the actual mode through which advanced sanctions regimes produce operational pressure in conditions of adaptation and evasion. In the Russia case, this mechanism has become progressively more visible as the EU moved from primarily sectoral prohibitions towards anti-circumvention, third-country facilitation controls, shadow-fleet targeting, and service-based restrictions. The underlying logic is that pressure must be exerted not only on the final transaction but on the surrounding environment that makes the transaction feasible, repeatable, and scalable. That logic defines the mechanisms of hybridisation examined in this section^{4,5}.

The first and most visible mechanism is the interaction between formal prohibitions and induced market behaviour. A legal ban on a specific transaction, good, service, or financial relationship has immediate direct effect only within the narrow perimeter of the prohibited act. However, once operators understand that regulatory scrutiny, liability risk, and reputational exposure are increasing, the direct effect is supplemented by a broader process of commercial withdrawal. Firms begin to revise counterpart screening, reduce borderline exposures, narrow acceptable documentation thresholds, and exit transactions that are technically possible but operationally unsafe. This behavioural shift is essential to hybridisation because it shows that the sanction becomes more expansive in practice than in doctrinal form. The European Commission’s sanctions guidance explicitly addresses EU operators and aims at uniform implementation, which in itself demonstrates that the measure is designed to shape behaviour *ex ante* and not merely punish violations *ex post*. In reality, a considerable part of the coercive effect is produced not by adjudicated breaches but by anticipatory caution among private actors. That caution is especially strong where the transaction chain is complex, opaque, or routed through higher-risk jurisdictions. The law therefore works not simply by prohibition, but by changing the threshold at which market actors judge a transaction to be commercially acceptable. Hybridisation begins precisely at this

¹ Council of the European Union. (2025). *Russia’s war against Ukraine: EU sanctions*.

² European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

³ European Commission. (2026). *EU sanctions against Russia following the invasion of Ukraine*.

⁴ Ibid.

⁵ Council of the European Union. (2025). *Russia’s war against Ukraine: EU sanctions*.

point, where legal rules and market risk perception become operationally inseparable. The formal prohibition supplies the normative anchor, but market withdrawal amplifies its reach^{1,2}.

De-risking constitutes a second core mechanism and should be treated as analytically central rather than incidental. In sanction-heavy environments, banks, insurers, freight operators, consultants, and export-control sensitive firms increasingly move from transaction-by-transaction permissibility analysis to portfolio-level risk compression. They reduce exposure not only to clearly prohibited business but also to classes of activity associated with elevated uncertainty, opaque ownership, route irregularities, or intermediary jurisdictions linked to circumvention patterns. The Commission's guidance on enhanced due diligence states explicitly that the scale of sanctions and the techniques used to circumvent them have created increased risks for EU operators and therefore justify enhanced due diligence practices. This is highly significant because it formalises a transition from passive compliance to proactive risk management. Once enhanced due diligence becomes an expected standard, operators begin to internalise sanctions not simply as legal prohibitions but as ongoing governance obligations. De-risking then follows naturally, because the cost of investigating ambiguous relationships or verifying contested documentation may exceed the expected benefit of continuing the business. The result is a contraction of commercially available channels even where some legal space technically remains. Hybridisation therefore works through compliance-induced market self-limitation. The state does not need to prohibit every marginal route if private risk responses progressively close the most usable ones. De-risking is thus one of the main transmission belts through which sanctions migrate from law into the wider economic environment^{3,4}.

A third mechanism is service withdrawal, which is especially important because complex cross-border economic activity depends not only on goods and funds but on dense layers of organisational support. Legal advisory, accounting, management consulting, engineering support, software services, technical certification, maritime services, and specialised financial messaging are all enabling functions that sustain production, routing, contracting, and payment. When the EU restricts the provision of such services, it does more than remove one tradable input from the market. It degrades the quality, legality, efficiency, and credibility of the organisational environment through which the targeted economy adapts. This effect is hybrid because it combines direct legal restriction with indirect managerial disorganisation. An entity or network may still attempt substitution through non-EU or lower-trust providers, but that substitution frequently entails reduced expertise, increased error rates, weaker verification, and higher hidden costs. The Commission's services guidance and repeated FAQs show that service restrictions are not marginal adjuncts to trade controls. They are part of a deliberate strategy to affect the capability structure around sanctioned conduct. In practice, service withdrawal also intensifies de-risking because many firms view advisory and technical services as especially sensitive from a liability and reputational standpoint. This means that the absence of service providers does not merely slow a transaction. It often changes whether the transaction remains governable at all. Hybridisation here arises from the fusion of legal ban, professional retreat, and institutional capability erosion^{5,6}.

Routing disruption forms a fourth major mechanism and is especially visible in maritime and trade logistics. Contemporary sanctions do not need to prohibit every shipment directly in order to degrade the target's external economic capacity. It is often sufficient to make routing less predictable, more

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

² European Commission. (2025). *Frequently asked questions — Sanctions against Russia.* Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

³ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*

⁴ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

⁵ European Commission. (2026, January 22). *Provision of services.* Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

⁶ European Commission. (2025). *Frequently asked questions — Sanctions against Russia.* Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

expensive, opaquer, and more vulnerable to interruption. The updated Price Cap Coalition advisory for the maritime oil industry states that recent developments in maritime oil trade expose stakeholders to increased safety, environmental, economic, reputational, financial, logistical, and legal risks, and it recommends best practices for private-sector actors and governments alike. This is a textbook example of hybridisation. The mechanism is not limited to one legal prohibition; it relies on the interaction of legal restrictions, best-practice compliance, screening expectations, insurance caution, and operational intelligence. When these elements combine, shipping routes become less stable, acceptable carriers become fewer, and the cost of concealment rises. Even where oil or goods continue to move, they do so under conditions of greater friction and reduced reputational legitimacy. Routing disruption therefore imposes a coercive cost through uncertainty and complexity rather than through absolute immobilisation alone. This is precisely why it belongs to a hybrid category: it is law translated into logistical risk architecture^{1,2}.

This routing mechanism becomes stronger when it is tied to targeted vessel measures and port-access bans. The Council's sixteenth package stated that additional vessels were added to the list of those subject to a port access ban and a ban on the provision of a broad range of services related to maritime transport, targeting non-EU tankers associated with the shadow fleet, oil-price-cap circumvention, military transport, or stolen Ukrainian grain. The seventeenth package expanded this logic further by listing an additional 189 vessels, bringing the total number of listed vessels to 342, while also underlining the role of coordination with Member States and the European Maritime Safety Agency. These steps show that routing disruption is not just a derivative outcome; it is itself a policy objective. By targeting vessels, ports, related services, and operational hubs, the EU attacks the continuity of the transport system that enables sanctioned trade to survive. The sanction therefore works through multiple channels at once: legal exclusion, service denial, insurer caution, reputational contamination, and operational re-routing. That combination magnifies pressure beyond what any single measure could generate in isolation. It also shows that hybridisation is cumulative, because each new layer of restriction makes the surrounding network more fragile and more expensive to reproduce. Where previously a target could shift from one carrier or jurisdiction to another, repeated logistics-oriented measures gradually narrow the viable set of substitutes. Hybrid sanctions thus use infrastructure sensitivity as a force multiplier^{3,4}.

A fifth mechanism is data asymmetry, which is indispensable for understanding both circumvention and the architecture of counter-circumvention. Sanctions rarely fail only because the law is too narrow; they often fail because authorities and private operators cannot fully see beneficial ownership, control relationships, route changes, document falsification, or proxy intermediation in real time. The Commission's enhanced due diligence guidance notes that Russian targets have used complex financial schemes, falsified the nature or origin of traded goods, relied on third-country jurisdictions, and concealed assets, thereby creating elevated risk for EU operators. Likewise, Directive (EU) 2024/1226 addresses structures to conceal beneficial ownership and requires cooperation, statistical recording, and enforcement-oriented information exchange. These materials reveal that data asymmetry is not an ancillary problem but a central battlefield. Hybridisation emerges because the sanction's practical effect depends on how well public and private actors can reduce that asymmetry. If the ownership structure remains obscure, if documentation is unreliable, or if routing data are manipulated, the legal prohibition alone will underperform. Conversely, when data visibility improves, market actors withdraw

¹ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Publication of updated Price Cap Coalition advisory for the maritime oil industry and related sectors*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

³ Council of the European Union. (2025, February 24). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

⁴ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

faster, enforcement becomes more credible, and facilitation networks become easier to map. Information is therefore not merely supportive of the sanction. It is constitutive of its hybrid effect^{1,2}.

A sixth mechanism lies in the production of interpretative certainty through FAQs, guidance papers, and compliance-oriented clarifications. Hybrid sanctions require more than legal enactment because the formal rule does not automatically tell operators how to assess indirect benefit, corporate control, facilitation risk, documentation anomalies, or third-country trade exposure. The Commission's consolidated FAQ document states that it is drafted to provide guidance to national authorities, EU operators, and citizens and to support the uniform application of sanctions across the Union. This interpretative function is critical because fragmented interpretation would weaken sanctions through jurisdictional inconsistency and transactional arbitrage. Once operators can identify a reasonably stable common approach, behavioural convergence becomes more likely. That convergence is a hybridising force because it links public legal authority with decentralised market practice. It also reduces the ability of targets to exploit regulatory grey zones between sectors or Member States. Guidance therefore acts as a behavioural harmonisation mechanism. It is not a substitute for the law, but it converts the law into a governable risk framework usable by banks, exporters, service firms, and logistics providers. Hybridisation, in short, requires interpretative infrastructures capable of turning abstract prohibitions into routinised operational choices^{3,4}.

Partner coordination is a seventh mechanism and one of the most underestimated. Hybrid sanctions lose force if they remain confined to the territorial authority of a single regulator while trade, shipping, finance, and professional services are organised through cross-border networks. The Price Cap Coalition advisory is explicitly coalition-based and addresses not only government stakeholders but also private actors involved in maritime trade. The EU's packages likewise increasingly refer to coordination with Member States and, in practice, operate within a wider constellation that includes G7 and like-minded partners. This matters because hybrid sanctions function through ecosystem pressure, and ecosystems are rarely national in structure. When partner coordination is robust, opportunities for rerouting, transshipment, under-insured shipping, or substitute service provision diminish. When it is weak, the target can redistribute activity geographically without fundamentally altering the underlying business model. Coordination therefore works as a multiplier of credibility and a compressor of exit options. It converts parallel sanctions into a more unified operational environment. The mechanism of hybridisation here lies in the fact that public coordination among states changes the private geography of feasible risk-taking^{5,6}.

This coordination mechanism also applies to intermediary jurisdictions and third-country entities. The seventeenth package added 31 companies providing direct or indirect support to Russia's military-industrial complex or engaged in sanctions circumvention, including firms established in Turkey, Vietnam, the UAE, Serbia, and Uzbekistan. The significance of such measures lies not merely in the listing count. Their deeper meaning is that the sanctioning authority is attempting to relocate the enforcement frontier from direct Russia-facing actors to the transnational networks that enable circumvention. This is a classic hybrid move because it recognises that modern sanctions pressure must be projected through the architecture of intermediation. The relevant question is no longer only whether Russia can import or finance directly, but whether the surrounding ecosystem of brokers, shell companies, shipping intermediaries, and dual-use facilitators can continue to perform their enabling

¹ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

³ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ European Commission. (2025). *Frequently asked questions — Sanctions against Russia*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

⁵ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁶ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

role. Once third-country support structures are targeted, the sanction acquires a network logic rather than a purely bilateral one. That network logic is central to hybridisation. It transforms sanctions from a dyadic coercive measure into a broader governance regime affecting the opportunity structures of a much larger set of actors. The measure thereby becomes more preventive, more intelligence-dependent, and more reliant on cooperation^{1,2}.

An eighth mechanism is the criminal-enforcement turn embodied in Directive (EU) 2024/1226. Hybridisation intensifies when violations and circumvention of Union restrictive measures are not treated merely as regulatory non-compliance but as matters requiring effective, proportionate, and dissuasive penalties, common offence definitions, asset-tracing sensitivity, and institutional cooperation. The Directive is important not only because it criminalises certain behaviours, but because it embeds sanctions inside a broader architecture of investigative coordination and informational exchange. This changes the risk calculus of market participants. A firm or intermediary evaluating a doubtful structure must now consider not only civil or administrative exposure, but also the prospect of criminal-law consequences tied to concealment, facilitation, or false information. That shift has a behavioural effect even before prosecutions occur. It raises the compliance salience of sanctions across sectors and encourages firms to over-invest in screening, documentation, and exit decisions. Criminalisation therefore contributes to hybridisation by transmitting the sanctions signal deeper into organisational decision-making. It is a mechanism through which the state's coercive capacity is projected into private governance routines³.

The ninth mechanism is reputational contagion, which frequently accompanies formal risk responses but deserves separate treatment. In highly sanctioned sectors, operators do not assess only legal permissibility; they also consider whether involvement with a transaction, vessel, route, or intermediary will be viewed by supervisors, investors, insurers, or counterparties as indicative of weak controls or excessive appetite for sanctions exposure. The Price Cap Coalition advisory expressly refers to reputational risks alongside financial, legal, logistical, safety, and environmental risks. This is analytically important because reputational contagion expands the sanction's influence beyond the legal perimeter. A business line may be abandoned not because the transaction is certainly prohibited, but because association with it damages trust, raises insurer scrutiny, or complicates access to other partners. In practice, reputational risk often accelerates de-risking faster than formal enforcement alone. It is especially powerful in shipping, finance, and specialised services where network trust is commercially decisive. Hybridisation thus operates through symbolic and market channels simultaneously, but unlike "pure" political sanctions, the reputational signal here is tied directly to operational risk. It is not only about condemnation. It is about the declining viability of continued business within high-trust global systems^{4,5}.

A tenth mechanism concerns specialised financial messaging, transaction monitoring, and the infrastructure of payment connectivity. The sixteenth package introduced, for the first time, a transaction ban on credit or financial institutions established outside Russia that use the System for Transfer of Financial Messages of the Central Bank of Russia, while also extending restrictions on specialised financial messaging services for certain regional banks. This demonstrates that hybridisation does not stop at direct banking restrictions. It reaches into the infrastructure through which payments are signalled, routed, and normalised. Once payment architecture itself becomes a target, the sanction extends beyond balance-sheet exposure into connectivity risk. Financial institutions, payment service participants, and counterparties must then evaluate not only the person or entity

¹ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

² Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.

³ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

⁴ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

involved but the messaging ecosystem used to support the transaction. This materially raises compliance complexity and can trigger pre-emptive withdrawal from entire classes of exposure. Hybridisation here arises from the intersection of finance law, technological infrastructure, correspondent caution, and transaction-monitoring behaviour. The payment system becomes not just a channel of exchange but a site of coercive intervention¹.

An eleventh mechanism is the progressive narrowing of legal ambiguity concerning indirect support. Earlier sanction architectures often struggled because they targeted obvious direct transactions while leaving broad room for facilitation through adjacent actors and supporting functions. The newer EU packages increasingly close these gaps by creating criteria linked to vessel ownership or operation, support for the military-industrial complex, facilitation via financial institutions, and use of ports, locks, and airports connected to circumvention or military transfer. Such provisions matter not only because they add more targets, but because they reduce the protective value of formal distance from the primary sanctioned act. A vessel owner, port operator, service provider, or financial intermediary can no longer assume that standing one step away from the end-user is sufficient insulation. The law thus reaches functionally into the support chain. This functional reach is one of the clearest legal mechanisms of hybridisation. It makes sanctions more network-aware and forces private actors to analyse economic substance rather than contractual surface. As a result, support ecosystems become less stable and less deniable^{2,3}.

A twelfth mechanism is operational over-compliance, which should be distinguished from simple de-risking. De-risking refers to structured withdrawal from high-risk exposures; over-compliance refers to situations in which operators narrow permissible conduct beyond what the law strictly requires because the cost of precise differentiation is too high. This is common in sanctions environments characterised by fast-changing rules, complicated ownership structures, and severe downside risk from mistakes. The Commission's emphasis on uniform implementation and enhanced due diligence unintentionally also creates incentives for precautionary conservatism, especially among firms lacking advanced compliance capacity. In practice, smaller institutions and medium-sized firms may adopt broad refusals because they cannot efficiently verify nuanced exceptions or derogations. This produces an additional hybrid effect. The law indirectly generates stricter market behaviour than the minimum legal text would imply, and that stricter behaviour contributes to pressure on the targeted system. Although over-compliance can create proportionality concerns, it remains one of the channels through which hybrid sanctions acquire really economic and organisational weight. It demonstrates again that the sanction's effect is co-produced by law and private governance, not delivered by law alone^{4,5}.

A thirteenth mechanism is infrastructural substitution pressure. Once sanctions target direct trade, services, vessels, financial messaging, or intermediary networks, the sanctioned side is forced to seek alternatives. However, substitute infrastructures are usually less efficient, less transparent, more expensive, and more operationally fragile than the systems from which access has been lost. The seventeenth package explicitly states that coordinated vessel listings and partner-country efforts are making it increasingly difficult to replace sanctioned vessels and that exporting oil has become more complex and costly for the Kremlin. This is an important indicator of hybridisation because it shows that the sanction need not eliminate activity altogether. It need only push the activity into a narrower, costlier, and more vulnerable infrastructure environment. Once this occurs, every subsequent restriction has greater marginal effect because the adaptation base is already degraded. Hybridisation therefore works dynamically through capability compression. Alternative infrastructures remain possible, but they

¹ Council of the European Union. (2025, February 24). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

² Ibid.

³ Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.

⁴ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

become less resilient and more dependent on opaque actors whose own exposure to sanctions risk is rising. The result is cumulative erosion rather than one-off blockage^{1,2}.

A fourteenth mechanism concerns the interaction between shadow infrastructures and safety-regulatory risk. The updated Price Cap Coalition advisory does not frame the problem solely in sanctions terms. It also emphasises maritime safety, environmental exposure, and responsible practices in the market. This is important because it broadens the set of reasons why private actors, flag states, insurers, and service providers may avoid questionable shipping arrangements. A vessel associated with opacity, high-risk routing, or shadow-fleet practices is not only a sanctions concern. It is a safety and liability concern. Hybridisation occurs when those fields reinforce each other. The sanction thus gains strength from adjacent regulatory and commercial logics that are not sanctions-specific in origin but become sanctions-relevant in practice. This dramatically increases behavioural pressure because actors may refuse participation for multiple overlapping reasons at once. The transaction becomes unattractive not only because it may breach a rule, but because it may generate insurance, environmental, reputational, or safety costs that are independently unacceptable. Hybrid sanctions derive a large part of their power from precisely this multi-vector aversion. They convert a political-legal restriction into a broader no-go zone across several regulatory systems³.

A fifteenth mechanism is the reconfiguration of time. Traditional sanctions analysis often concentrates on whether a transaction can or cannot occur. Hybrid sanctions alter not only permissibility but tempo. Enhanced due diligence, ownership verification, service withdrawal, route rechecking, and insurance hesitation all slow down decision-making and execution. Delays matter strategically because they reduce flexibility, increase inventory and financing costs, complicate military-industrial procurement cycles, and weaken the reliability of adaptation pathways. In this sense, time itself becomes a restrictive variable. A transaction that remains theoretically possible but takes twice as long, requires far more documentation, and depends on more fragile intermediaries is no longer operationally equivalent to its pre-sanctions form. Hybridisation therefore works through temporal drag as much as through legal exclusion. This temporal dimension is often invisible in headline sanctions debates, yet it is central to understanding how capability is degraded without total closure. The more intermediation and verification a transaction requires, the less scalable and less dependable it becomes. Sanctions thus hybridise by turning time into cost and uncertainty into structural friction^{4,5}.

A sixteenth mechanism is the diffusion of enforcement to the private sector. In older sanction paradigms, public authorities occupied the centre of enforcement, while firms mainly responded to explicit instructions. In the current EU architecture, private actors function as distributed enforcement nodes. They screen beneficial ownership, examine routing histories, question end-use declarations, review financial messaging connections, evaluate service exposure, and refuse suspicious counterparties. The Commission's guidance documents are addressed precisely to support such decentralised vigilance. This diffusion is not a secondary implementation detail; it is a constitutive feature of hybrid sanctions. Because the modern sanctions environment is too complex for centralised enforcement alone, the regime relies on private actors to detect anomalies and deny operational space. Hybridisation therefore involves a transfer of monitoring and filtering functions into the market itself. This increases coverage, but it also means that sanctions effectiveness depends on private capacity,

¹ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

³ Ibid.

⁴ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ European Commission. (2026, January 22). *Provision of services*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

incentives, and caution. The law establishes the expectation. The market performs much of the daily boundary policing^{1,2}.

A seventeenth mechanism is the compression of plausible deniability. In loosely regulated environments, intermediaries can often claim that they were too distant from the end-use, too unaware of beneficial ownership, or too removed from the main transaction to understand the strategic significance of their role. Hybrid sanctions narrow that defence by publishing guidance, clarifying circumvention typologies, criminalising concealment-related conduct, and directly targeting facilitatory nodes. Once authorities repeatedly identify patterns of rerouting, indirect support, vessel ownership abuse, and documentary manipulation, the informational space for innocence claims contracts. This is significant because sanctions effectiveness often depends not only on hard enforcement but on the ability to alter what actors can plausibly justify to themselves, to supervisors, and to business partners. Hybridisation thus has a cognitive-governance dimension. It redefines what counts as acceptable ignorance in a high-risk environment. When plausible deniability shrinks, private risk responses intensify. Firms begin to assume that regulators expect active inquiry rather than passive non-knowledge^{3,4}.

For analytical clarity, the principal mechanisms discussed above can be summarised in the following matrix.

Table 6.1.2-1. Principal mechanisms of hybridisation in the EU sanctions regime against Russia

Mechanism	Primary legal or policy trigger	Immediate operational effect	Secondary hybrid effect	Strategic consequence
Formal prohibition	Regulations, package measures, listings, service bans	Establishes legal boundary of forbidden conduct	Induces anticipatory caution and market withdrawal	Pressure exceeds the narrow textual scope of the ban
De-risking	Enhanced due diligence expectations, enforcement risk	Reduction of exposure to ambiguous or higher-risk transactions	Compression of commercially available channels	Shrinks the space for circumvention through precautionary exit
Service withdrawal	Restrictions on advisory, technical, software, and maritime services	Loss of enabling expertise and organisational support	Capability degradation and weaker substitution quality	Erodes the target's adaptive support systems
Routing disruption	Vessel listings, port bans, service bans, coalition advisories	More costly, opaque, and fragile movement of goods and oil	Logistical friction and reduced route reliability	Raises cost and lowers resilience of external trade flows
Data asymmetry reduction	Ownership scrutiny, reporting, intelligence sharing, guidance	Better detection of concealment and indirect benefit	Faster private-sector withdrawal from suspect structures	Improves network visibility and disrupts hidden facilitation
Partner coordination	EU–Member State cooperation, G7/coalition alignment	Narrower jurisdictional and infrastructural loopholes	Harder geographic relocation of sanctioned activity	Multiplies credibility and limits rerouting capacity
Criminal-enforcement integration	Directive (EU) 2024/1226 and national implementation	Higher liability salience for facilitation and concealment	Deeper compliance internalisation by firms and intermediaries	Embeds sanctions in broader enforcement architecture

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

² European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*

³ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.*

⁴ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

Mechanism	Primary legal or policy trigger	Immediate operational effect	Secondary hybrid effect	Strategic consequence
Reputational contagion	Public advisories, listings, scrutiny of shadow infrastructures	Avoidance of actors or routes associated with sanctions risk	Self-reinforcing withdrawal across trust-based networks	Makes suspect business lines commercially toxic
Infrastructure substitution pressure	Targeting of shadow fleet, messaging systems, third-country facilitators	Need to rely on weaker and more expensive alternatives	Cumulative fragility of substitute systems	Degrades long-run adaptability rather than only current transactions
Temporal drag	Screening, verification, route changes, due diligence burdens	Slower execution of trade, finance, and service arrangements	Time becomes an additional coercive variable	Reduces scalability and reliability of adaptation

Authorship: prepared by the author on the basis of official EU legal and institutional sources, coalition enforcement materials, and cited analytical literature

Sources:

- Council of the European Union. (2025, February 24). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures.*
- Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions.*
- Council of the European Union. (2025). *Timeline - Packages of sanctions against Russia since February 2022.*
- European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*
- European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia.*
- European Commission. (2025). *Frequently asked questions — Sanctions against Russia.* Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- European Commission. (2026, January 22). *Provision of services.* Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- European Commission. (2026). *EU sanctions against Russia following the invasion of Ukraine.*
- European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.*
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Publication of updated Price Cap Coalition advisory for the maritime oil industry and related sectors.*
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors.*

The table demonstrates that hybridisation is not a single instrument but a mechanism chain. Each component strengthens the others: (1) legal prohibitions stimulate due diligence; (2) due diligence encourages de-risking; (3) de-risking amplifies service withdrawal; (4) service withdrawal magnifies routing disruption; (5) routing disruption raises the value of information; (6) improved information increases the effectiveness of partner coordination and criminal enforcement; and (7) all of these together erode the viability of substitute infrastructures. The result is a sanctions architecture in which multiple modest or medium-strength restrictions can produce a stronger cumulative effect than one formally severe but operationally isolated ban. This explains why hybrid sanctions often appear difficult to measure using simple trade or finance indicators alone. A large part of their effectiveness lies in friction, delay, uncertainty, and organisational degradation. These effects are distributed rather than spectacular, but they are strategically consequential. In long-duration conflicts, such mechanisms may prove more durable than attempts at total closure, because they continuously force the target into costlier adaptation cycles. The policy implication is that hybrid sanctions should be assessed less as

one-off prohibitions and more as systems for shaping the operating environment of the target economy and its enabling networks^{1,2,3}.

From the standpoint of the Russian case, these mechanisms are particularly important because adaptation since 2022 has depended heavily on substitution through service providers, third-country entities, concealed ownership, route manipulation, and shadow logistics rather than on open defiance of the legal prohibition itself. A sanctions regime focused only on direct bans would therefore miss much of the real terrain of contestation. The EU's progressive emphasis on anti-circumvention, vessel and infrastructure targeting, enhanced due diligence, financial-messaging restrictions, and coordination with partner countries should be interpreted as an attempt to move sanctions pressure closer to the real adaptation pathways used by the target. This does not eliminate evasion, nor does it guarantee linear coercive success. However, it changes the quality of the adaptation problem facing Russia by making circumvention more expensive, less scalable, less transparent, and more dependent on fragile substitute networks. That is the essential mechanism of hybridisation. Law remains indispensable, but it is only the first stage in a broader process that transforms risk perception, operational feasibility, and network resilience across several domains at once. In that sense, hybrid sanctions are best understood not as a supplementary category of measures, but as the dominant operational form of mature sanctions regimes under conditions of prolonged geopolitical confrontation^{4,5,6}.

6.1.3. Boundary Questions: Distinction from Political, Economic, Legal, and Compliance Sanctions

A rigorous boundary analysis is necessary because the overall report already treats sanctions against Russia as a cumulative, integrated architecture rather than as a collection of isolated measures. At the same time, the report's internal logic depends on preserving analytical distinctions between political, economic, legal, hybrid, and compliance dimensions, even where they interact closely in practice. The General Introduction explicitly states that the document evaluates sanctions through six interconnected dimensions and that the hybrid sections are intended to analyse cross-domain instruments and enabling structures that complicate straightforward categorisation, while the compliance sections examine implementation capacity, private-sector transmission, anti-circumvention vulnerabilities, and enforcement-related governance challenges. It also stresses that political sections address signalling and diplomatic restriction, economic sections address structural sectoral pressure, and legal sections address normative architecture, derogations, and judicial defensibility. This means that Part Six cannot simply repeat the language of cross-domain interaction without defining what makes a measure genuinely hybrid rather than merely influential across more than one field. Otherwise, the category would become too elastic to be analytically useful. The boundary question is therefore methodological as much as substantive. It concerns the dominant mechanism, primary object, and principal level of operation of a restrictive measure, not merely the number of side effects that follow from it. For the purposes of this report, a measure should be classified as hybrid only when its coercive force is generated through cross-domain interaction among legal, market, logistical, service, infrastructural, and informational channels in a way that is constitutive rather than incidental. This threshold allows the concept to remain precise while still capturing the operational reality of sanctions governance in 2025–2026.

¹ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

² European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

³ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁴ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

⁶ Council of the European Union. (2025, February 24). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

The first boundary line must therefore be drawn between hybrid sanctions and political sanctions. In the structure of this report, political sanctions are centred on signalling, delegitimation, diplomatic restriction, external coalition management, and the narrowing of Russia's room for international manoeuvre. The EEAS likewise describes EU sanctions as a peaceful tool of diplomacy used to defend international law, international peace and security, and EU values and interests, which reflects the primarily normative and diplomatic logic of that category. Political sanctions can certainly have secondary operational effects. A listing may increase compliance pressure, a visa ban may indirectly complicate certain business contacts, and media restrictions may reinforce wider resilience policy. Yet these downstream consequences do not automatically convert the measure into a hybrid instrument. The crucial distinction is that political sanctions operate primarily by status alteration, signalling, stigmatisation, representational exclusion, and institutionalised non-normalisation. Their main function is to communicate and codify an external policy boundary. A hybrid sanction, by contrast, is one whose main coercive force depends on distributed operational disruption across several enabling systems at once. The distinction is therefore not between “symbolic” and “real” measures, but between dominant signalling logic and dominant cross-domain restriction logic^{1,2}.

This means, more concretely, that not every politically motivated listing should be treated as hybrid. If an individual restrictive measure primarily targets elite mobility, public signalling, diplomatic isolation, or delegitimation of a war-enabling actor, it remains a political sanction even if banks and business partners subsequently respond by withdrawing. The hybrid threshold is crossed only where the measure is constructed or functions principally as a multi-node intervention in an enabling network. For example, a network-based designation strategy targeting owners, operators, intermediaries, and facilitators around a shadow-fleet or procurement structure can become hybrid because the operational chain itself is the object of restriction. However, an ordinary elite designation with reputational spillovers should remain in Part Two. This distinction matters because otherwise the political sphere would be conceptually cannibalised by Part Six. It would also weaken evaluative discipline, since political sanctions are judged largely by signalling coherence, legitimacy, coordination value, and durable refusal of normalisation, whereas hybrid sanctions are judged by their ability to disrupt adaptation pathways, rerouting, facilitation, and hidden infrastructures. Mixed effects therefore do not settle classification; dominant function does. In this report, the phrase “mixed effect of a political sanction” should not be confused with a “hybrid instrument.” The former describes spillover; the latter describes operating design^{3,4}.

The second boundary line concerns economic sanctions. Part Three of the report is built around structural pressure on finance, trade, technology, transport, and services, and it treats economic sanctions as instruments that reconfigure the target state's operating environment by degrading macro-level capacity, increasing transaction friction, and constraining long-term renewal. That description already contains important complexity. Economic sanctions often spill into logistics, services, and investment behaviour. However, the analytical core of the economic category remains the direct restriction of value flows, sectoral activity, capital access, goods, technologies, and revenue structures. A measure belongs primarily in the economic sphere where its main object is the restriction of production, exchange, revenue generation, financial intermediation, or access to inputs and markets. By contrast, a hybrid measure is focused less on the front-end economic transaction itself and more on the enabling architecture that sustains that transaction under pressure: shadow routing, shell structures, proxy jurisdictions, service ecosystems, ownership opacity, and adaptive infrastructure. Economic sanctions reduce exchange; hybrid sanctions target the ecology that keeps restricted exchange alive. The distinction is subtle but essential. Without it, almost all sophisticated economic sanctions would be redescribed as hybrid merely because modern economies are networked.

¹ European External Action Service. (2025, January 9). *A peaceful tool of diplomacy*.

² European External Action Service. (2025, January 9). *European Union sanctions*.

³ Ibid.

⁴ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

That is why mixed economic effects are not enough to establish hybrid status. A trade ban on specified goods, a financial restriction on certain institutions, or an export prohibition on dual-use items remains an economic sanction even if implementation requires guidance and even if circumvention risks subsequently emerge. The direct legal object of the measure still concerns trade, finance, capital, or technology denial. The measure becomes hybrid only when its practical pressure depends centrally on action against the surrounding adaptation system rather than the main transaction channel. Thus, a ban on exports of advanced technology is economic. However, a regime that combines that ban with third-country facilitator targeting, service withdrawal, beneficial-ownership scrutiny, route monitoring, logistics intelligence, and proxy-network disruption may contain a hybrid component because the operational focus has shifted from commodity denial to adaptation-system degradation. The classification question should therefore ask: what is the immediate mechanism of pressure? If the answer is direct economic restriction, the measure belongs primarily in Part Three even where hybrid consequences follow. If the answer is coordinated disruption of the supporting network through multiple domains, Part Six becomes the correct analytical home. In this framework, hybridity is not the same as economic sophistication. It is a distinct mode of cross-domain intervention^{1,2}.

A third boundary line must be drawn in relation to legal sanctions. Part Five of the report is concerned with restrictive measures as law: legal authority, regulatory architecture, doctrinal precision, derogations, judicial review, and the legal defensibility of enforcement decisions. The General Introduction to the document states explicitly that the legal sections focus on the normative architecture of restrictive measures, including asset freezes, service restrictions, derogations, and judicial scrutiny. This offers a clear criterion for distinction. Legal sanctions are those whose primary analytical significance lies in what the law prohibits, authorises, exempts, or makes reviewable, and in how that normative structure is institutionally organised. Hybrid sanctions may well contain legal components, and indeed they cannot exist without legal hooks. But their analytical identity is not exhausted by doctrine, validity, or formal scope. They are defined by how law interacts with infrastructures, services, logistics, information asymmetries, and private risk governance to produce pressure through several operational channels simultaneously. Legal sanctions ask: what is the rule, how precise is it, how defensible is it, and under what derogations does it operate? Hybrid sanctions ask: through what interacting systems does the rule become coercively effective or conversely vulnerable to circumvention? The categories overlap, but they are not interchangeable.

This distinction is particularly important because anti-circumvention law can look hybrid at first sight. Article 12 of Regulation 833/2014, for example, prohibits participation, knowingly and intentionally, in activities whose object or effect is to circumvent prohibitions in that Regulation. Directive (EU) 2024/1226 further strengthens the legal architecture by defining criminal offences and penalties for the violation of Union restrictive measures and by addressing concealment-related conduct, including structures obscuring beneficial ownership. These are unquestionably legal instruments. They belong to the legal sphere when the analytical focus is on the perimeter of liability, mental elements, authorisation structures, judicial manageability, or the relationship between prohibition and derogation. Yet the same provisions can become part of hybrid analysis when the focus moves from their doctrinal design to their role in reshaping logistics, information flows, intermediary behaviour, route selection, and distributed private-sector caution. The same rule may therefore appear in Part Five and Part Six, but under different analytical questions. This is not duplication; it is functional differentiation. In the legal part, the emphasis is normative architecture. In the hybrid part, the emphasis is cross-domain transmission^{3,4}.

The fourth boundary line concerns compliance sanctions, or more precisely the compliance dimension of the sanctions regime that is reserved for Part Seven. The report's General Introduction defines the

¹ Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.

² European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

³ Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (consolidated version of 20 July 2025).

⁴ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

compliance sections as those examining implementation capacity, private-sector transmission, anti-circumvention vulnerabilities, and enforcement-related governance challenges. This is highly important because hybrid sanctions and compliance sanctions are the two categories most likely to blur into one another. Both involve private actors, risk detection, information sharing, due diligence, and distributed enforcement. Yet they are not analytically identical. Compliance sanctions, in the framework of this report, concern the machinery that translates law into behaviour: screening protocols, beneficial-ownership checks, licensing practice, operator guidance, alert systems, governance standards, and the quality of institutional follow-through. Hybrid sanctions, by contrast, concern cross-domain restrictive instruments that act through enabling systems such as routing corridors, service ecosystems, shadow infrastructures, and intermediary networks. Compliance is often the transmission mechanism of hybrid measures, but it is not the same as the hybrid instrument itself. The former is about implementation architecture; the latter is about restrictive design and operational target structure.

The European Commission's sanctions guidance architecture illustrates this distinction well. The Commission's consolidated FAQs are explicitly drafted to provide guidance to national authorities, EU operators, and citizens and to support the uniform application of sanctions. The dedicated guidance documents page also emphasises general advice on risk assessment, best practices for due diligence on business partners and transactions, and red flags for circumvention. These are paradigmatic compliance tools. Their immediate purpose is not to create a new cross-domain restriction, but to standardise interpretation, improve implementation quality, and reduce evasion opportunities by informing operator behaviour. If the analytical question concerns clarity, operator burden, national divergence, institutional learning, false positives, or distributed enforcement quality, the matter belongs primarily in Part Seven. Only when such compliance tools are examined as components of a broader intervention against a cross-domain enabling system do they become relevant to hybrid analysis. Thus, guidance is usually compliance infrastructure, not a hybrid instrument in itself. Its role in hybrid sanctions is mediating rather than constitutive unless it is embedded in a wider architecture targeting adaptation networks^{1,2}.

From this follows a more general criterion: classification must be based on dominant function, not on total causal footprint. Most mature sanctions today have effects across several domains. An asset freeze affects legal rights, financial behaviour, compliance costs, and reputational standing. A visa restriction may influence mobility, diplomacy, and even certain business interactions. An export ban may alter logistics, market incentives, and compliance burdens. If classification followed all possible effects, every measure would belong everywhere and the report's architecture would collapse. The correct method is therefore to identify the dominant operative mechanism that gives the measure its primary coercive force. Where that mechanism is signalling and exclusion, the measure is political. Where it is direct restriction of exchange, revenue, technology, or capital, it is economic. Where it is doctrinal prohibition, derogation, or review structure, it is legal. Where it is implementation, detection, due diligence, and private-sector transmission, it is compliance. Where it is coordinated disruption of enabling networks through interaction among several domains, it is hybrid. This criterion of dominant mechanism is the core analytical filter for Part Six.

A second criterion is the primary object of restriction. Political sanctions primarily target status, recognition, representation, and the diplomatic-institutional room for manoeuvre of actors. Economic sanctions primarily target value flows, sectoral capacity, access to capital, technologies, markets, and revenue channels. Legal sanctions primarily target legal entitlements, legal relationships, and the conditions under which certain acts become prohibited, derogable, or reviewable. Compliance sanctions primarily target the implementation pathway, aiming to ensure that formal restrictions are translated into consistent screening and operational caution. Hybrid sanctions, by contrast, primarily target enabling systems: routing chains, facilitation structures, intermediary jurisdictions, opacity

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

² European Commission. (2025). *Guidance documents.*

mechanisms, service dependencies, and the adaptive infrastructures that help the targeted economy function under pressure. This object-based criterion helps avoid confusion in borderline cases. A measure may mention services, routes, or due diligence without necessarily being hybrid. The decisive question is whether the measure's real target is an enabling ecology rather than an individual transaction or purely normative status. Where the answer is yes, hybrid classification becomes warranted^{1,2}.

A third criterion is the unit of analysis. Political sanctions are usually best analysed at the level of institutions, diplomatic relations, listed elites, public signalling, and international legitimacy. Economic sanctions are most often analysed at the level of sectors, revenue streams, trade flows, financial channels, prices, and macro-structural constraints. Legal sanctions are analysed at the level of regulatory provisions, derogation structures, evidentiary standards, and judicial scrutiny. Compliance sanctions are analysed at the level of operator behaviour, implementation systems, governance quality, reporting channels, and enforcement coordination. Hybrid sanctions require a different unit: the network. They are analysed through chains, nodes, intermediaries, facilitators, proxy entities, overlapping infrastructures, and adaptive arrangements that cut across standard categories. This network-centred unit of analysis is one of the strongest practical tests for hybrid classification. If the measure only becomes intelligible when mapped as a cross-domain network rather than a sector, actor class, or rule set, it likely belongs in Part Six. If it can be fully explained without such network analysis, it probably belongs elsewhere. This distinction is not absolute, but it is highly useful for maintaining conceptual discipline.

A fourth criterion is evidentiary dependence. Political sanctions often rely on public attribution, diplomatic rationale, institutional signalling, and political-legitimacy arguments. Economic sanctions depend heavily on macroeconomic, trade, sectoral, technological, and financial indicators, even where these must be treated cautiously. Legal sanctions depend on textual analysis, case law, derogation logic, interpretative coherence, and legal robustness. Compliance sanctions depend on implementation evidence: guidance quality, enforcement case patterns, operator uptake, divergence across Member States, whistleblowing, and due-diligence practice. Hybrid sanctions, however, are especially dependent on network evidence: shipping patterns, ownership concealment, route anomalies, intermediary jurisdictions, proxy actors, shell-company structures, service fragmentation, and cumulative red-flag constellations. This is why the General Introduction of the report emphasises the role of information asymmetry, proxy structures, service fragmentation, and re-routing in the hybrid dimension. A measure should thus be considered hybrid where its evaluation depends materially on tracing dispersed enabling patterns rather than primarily on doctrinal, diplomatic, or macro-sectoral evidence. The evidentiary form reflects the mechanism. Hybrid measures are difficult to see precisely because they act against systems that are designed to disperse visibility.

A fifth criterion is whether cross-domain interaction is constitutive or merely consequential. This is perhaps the most important test for distinguishing a genuine hybrid instrument from a measure with mixed effects. Many sanctions create consequences in adjacent domains. A bank listing can affect politics, law, compliance, logistics, and social perceptions. A service restriction can affect revenue, legal relationships, and operator risk models. Yet a consequence remains a consequence unless the measure's very mechanism of pressure requires those domains to interact in order to work. Hybrid sanctions are constitutively cross-domain. Their effectiveness depends on legal norms activating market withdrawal, service denial, route instability, information sharing, and private risk governance together. If these elements disappeared, the measure would lose most of its force. By contrast, in an economic or political measure with mixed effects, the secondary domains amplify but do not define the instrument. The main coercive logic would remain intelligible even without them. This criterion is

¹ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

especially useful because it prevents the hybrid category from becoming a label for “complicated sanctions” in general^{1,2}.

This distinction can be illustrated with anti-circumvention measures. Anti-circumvention law as such is not automatically hybrid. When the focus is on the legal prohibition of circumvention and its penal consequences, the matter belongs to the legal and compliance spheres. However, where the measure is directed at intermediary jurisdictions, route manipulation, facilitator entities, concealment patterns, service denials, and networked enabling structures, the hybrid dimension becomes central because the object is no longer a single prohibited act but an adaptive system. The Commission’s due-diligence guidance to help EU operators identify and assess possible circumvention risks clearly demonstrates this transition from rule enforcement to ecosystem analysis. Likewise, EEAS materials on making sanctions effective stress coalition breadth and implementation reach, which are essential for closing systemic loopholes. Anti-circumvention therefore straddles several categories. It is not hybrid by default, but it frequently becomes hybrid when it targets the surrounding ecology of evasion rather than only the legal breach in the abstract. This is precisely why Part Six is necessary: it captures the point at which anti-circumvention ceases to be only enforcement support and becomes a substantive cross-domain restrictive strategy^{3,4}.

The same logic applies to shadow-fleet targeting. If one looked only at oil revenues, shipping costs, or trade continuity, one might classify these measures as merely economic or transport-related. If one looked only at listings and prohibitions, one might classify them as legal. If one looked only at operator alerts and due diligence, one might classify them as compliance matters. Yet in reality, shadow-fleet restrictions function by combining vessel listings, port access bans, insurance caution, price-cap enforcement, routing intelligence, reputational contagion, safety concerns, and private-sector screening. Their coercive effect depends on all of these interacting layers. The Council’s 17th-package press materials and the Commission’s parallel statement underline both the scale of vessel targeting and the intention to make Russia’s oil exports more complex and costly through coordinated action. The U.S.-led Price Cap Coalition advisory further shows that maritime risk, compliance, insurance, legality, and reputational concerns are treated together rather than separately. This is the classic profile of a hybrid instrument. The measure cannot be understood adequately within only one of the older categories because its operational logic is inherently networked and cross-domain^{5,6,7}.

By contrast, not every service restriction is hybrid. Part Five already analyses restrictions on legal advisory and arbitration-related services as legal sanctions because their doctrinal significance concerns legal process, access to representation, exemptions, and the rule-of-law boundaries of sanctions governance. A ban on a specified service may also have economic effects, because services are inputs into business activity. However, the measure should not be classified as hybrid unless its principal object and mechanism concern the disruption of a wider enabling network across several domains at once. A standalone prohibition on certain services, even if important, remains primarily legal-economic. It becomes hybrid only when it is embedded in a broader architecture aimed at crippling a support ecosystem composed of documentation, consultancy, route engineering, ownership opacity, certification, and cross-border facilitation. This boundary is important to preserve because otherwise the hybrid part would absorb substantial portions of Part Five and Part Three. The test, again, is

¹ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

³ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁴ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁵ Council of the European Union. (2025, May 20). *Russia’s war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁶ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁷ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

constitutive cross-domainity rather than collateral breadth of effect. A service ban can be a component of hybrid sanctions without itself exhausting the concept of hybridity^{1,2}.

Another useful boundary test concerns the place of private-sector responses. Private risk aversion, de-risking, and over-compliance are present across many sanction types. They are central to Part Seven because compliance is one of the principal transmission mechanisms through which law becomes economic and institutional effect, and because compliance systems can themselves generate fragmentation, excessive caution, and uneven burdens. A measure should therefore not be called hybrid merely because it triggers private withdrawal. If private withdrawal is simply the implementation reaction to a political, economic, or legal measure, the issue belongs mainly in the compliance analysis. Only when private-sector responses are woven together with service denial, routing instability, information asymmetry reduction, and network targeting so that they form the measure's operational core should the instrument be treated as hybrid. This distinction helps separate implementation effects from substantive cross-domain design. It also prevents the compliance section from being hollowed out by the hybrid category. In short, private-sector reaction is a necessary but not sufficient indicator of hybridity. It becomes sufficient only when combined with an enabling-system target structure.

The report's architecture offers a helpful way to operationalise these distinctions. Part Two is primarily concerned with signalling and political governance. Part Three is primarily concerned with structural economic pressure. Part Five is primarily concerned with normative precision, rights boundaries, and legal-operational defensibility. Part Seven, by the report's own design, will address implementation capacity, private-sector transmission, and enforcement-related governance. Part Six should therefore reserve itself for measures and mechanisms that cannot be adequately understood within any one of those frameworks because they operate by attacking adaptive infrastructures that span them. This means that Part Six is not a residual category for everything complicated. Nor is it an umbrella category for "all sanctions under modern conditions." It is a tightly delimited analytical field addressing cross-domain restrictive architectures whose target is the enabling environment of sanctioned conduct. If this discipline is maintained, the report's six-part classification remains both differentiated and coherent. If it is not maintained, the hybrid concept becomes inflationary and analytically weak.

For analytical clarity, the distinction can be synthesised in the following matrix.

Table 6.1.3-1. Analytical criteria for distinguishing hybrid sanctions from political, economic, legal, and compliance sanctions

Category	Primary object of restriction	Dominant mechanism	Main unit of analysis	Typical evidence base	When mixed effects do not make it hybrid
Political sanctions	Status, legitimacy, representation, diplomatic room for manoeuvre	Signalling, delegitimation, exclusion, non-normalisation	States, elites, institutions, diplomatic relations	Political rationale, listings logic, diplomatic practice, external signalling	When operational spillovers are secondary to signalling and status alteration
Economic sanctions	Value flows, revenues, trade, finance, technologies, sectoral capacity	Direct restriction of exchange, inputs, capital, or market access	Sectors, revenue streams, trade flows, financial channels	Trade, banking, industrial, macroeconomic, price, and sectoral data	When logistics or compliance effects merely amplify a direct economic ban
Legal sanctions	Normative scope of prohibition,	Doctrinal restriction, authorisation,	Provisions, regulations, derogations, case	Legal texts, case law, derogation practice,	When cross-domain effects follow from the law but are not

¹ European Commission. (2026, January 22). *Provision of services*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

² Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (consolidated version of 20 July 2025).

Category	Primary object of restriction	Dominant mechanism	Main unit of analysis	Typical evidence base	When mixed effects do not make it hybrid
	derogation, review, liability	judicial defensibility, legal architecture	law, competent-authority powers	interpretative guidance	its principal analytical focus
Compliance sanctions	Implementation pathways, operator behaviour, screening and enforcement quality	Due diligence, monitoring, reporting, alerting, internal controls, enforcement coordination	Firms, NCAs, compliance systems, enforcement workflows	Guidance, FAQs, typologies, alerts, enforcement cases, implementation patterns	When the issue is translation of rules into behaviour rather than substantive network disruption
Hybrid sanctions	Enabling systems: routes, facilitators, proxy structures, service ecosystems, opacity mechanisms, adaptive infrastructures	Cross-domain interaction among law, markets, logistics, services, information, and private risk governance	Networks, chains, nodes, intermediaries, infrastructures	Routing data, ownership opacity, facilitation networks, service fragmentation, circumvention typologies	Only where cross-domain interaction is constitutive of the measure's coercive force rather than a secondary consequence

Authorship: prepared by the author on the basis of the report's internal analytical architecture, official EU institutional materials, EU legal acts, and coalition enforcement guidance

Sources:

- Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.
- Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.
- European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.
- European Commission. (2025). *Guidance documents*.
- European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.
- European Commission. (2026, January 22). *Provision of services*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.
- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European External Action Service. (2025, January 9). *A peaceful tool of diplomacy*.
- European External Action Service. (2025, January 9). *European Union sanctions*.
- European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.
- European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.
- Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (consolidated version of 20 July 2025).
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

The matrix shows that the boundary question is not solved by counting effects but by identifying the dominant architecture of pressure. This is especially important for a report such as the present one, which deliberately combines differentiated chapters with an overarching cumulative logic. If the reader is given no stable criteria for classification, the same measure could be redescribed in incompatible ways across Parts Two, Three, Five, Six, and Seven. That would weaken comparison, distort effectiveness assessment, and blur the logic of recommendations. The dominant-mechanism test, the primary-object test, the network unit-of-analysis test, and the constitutive cross-domainity test together provide a workable solution. They do not eliminate all grey zones, but they reduce conceptual arbitrariness to an acceptable minimum. In policy terms, this is preferable to false purity on the one hand and taxonomic inflation on the other. Hybrid sanctions should therefore be treated as a narrow but strategically significant category within the wider sanctions' architecture.

A final conclusion follows from the foregoing analysis. A hybrid instrument in this report should be defined as a restrictive measure, or tightly integrated cluster of measures, whose principal coercive effect depends on coordinated disruption of an enabling network through interaction among legal rules, logistical pathways, service ecosystems, market responses, informational visibility, and private-sector risk governance. Measures that are primarily aimed at signalling, direct exchange restriction, doctrinal prohibition, or implementation management should remain classified respectively as political, economic, legal, or compliance sanctions, even when they generate wider spillovers. The existence of mixed effects is normal in a mature sanctions regime and does not by itself justify hybrid classification. Hybrid status is warranted only where cross-domain interaction is constitutive of the instrument's force and where the enabling system itself is the object of pressure. This definition preserves the internal architecture of the report, clarifies the relationship of Part Six to Parts Two, Three, Five, and Seven, and provides a stable basis for the subsequent review of anti-circumvention measures, shadow-fleet restrictions, technology-service ecosystem controls, and facilitation infrastructures. In methodological terms, it allows the report to remain integrated without becoming conceptually blurred. In policy terms, it helps identify where future sanctions design should focus not only on prohibiting acts, but on destabilising the systems that keep those acts feasible under conditions of prolonged adaptation^{1,2,3}.

6.1.4. Targeting Logic, Attribution Difficulties, and Legitimacy Constraints

The targeting logic of hybrid sanctions differs from that of more classical sectoral measures because the object of pressure is not only a revenue stream, a market segment, or a legally defined counterparty, but the enabling system that allows restricted activity to continue under adaptive conditions. Once sanctions move into a mature phase, the main analytical problem ceases to be the existence of a direct Russia-facing transaction in the abstract. The real problem becomes the architecture of substitution through which the same economic, technological, or logistical effect is reproduced by other means. In that environment, pressure directed only at a single sector is often too narrow, because the target can reroute activity through intermediaries, non-transparent ownership chains, service providers, or transport infrastructures located outside the immediate point of prohibition. This is why the EU's anti-circumvention framework now addresses complex financial schemes, falsification of the nature or origin of goods, and reliance on third-country jurisdictions, rather than treating sanctions evasion as a marginal compliance anomaly. The targeting logic is therefore systemic and relational rather than simply bilateral. Hybrid measures are designed to reach the nodes that preserve functionality when direct channels are narrowed. In policy terms, this means that the sanction no longer asks only who is acting, but who is enabling, insulating, disguising, transporting, financing, certifying, or operationally normalising that action. That shift explains why hybrid measures so often focus on networks of intermediaries, routes, service ecosystems, and facilitating structures rather than on one sector alone^{4,5}.

This targeting logic follows directly from the structure of Russian adaptation since 2022. The current regime is not dealing only with open, formal trade and finance, but with rerouting, concealment, ship-to-ship transfers, shadow fleets, proxy traders, and fragmented service arrangements. Under such conditions, a purely sectoral sanction often leaves intact the operational chain that can reconstruct the prohibited outcome in altered form. A restriction on one bank can be circumvented through another payment pathway; a restriction on one service can be replaced through a lower-trust provider; a ban on one direct route can be mitigated through a more circuitous logistics chain. Hybrid sanctions respond by moving the enforcement frontier outward, from the immediate transaction to the wider support ecology that enables that transaction to remain viable. The Consilium sanctions page now explicitly

¹ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

² European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

³ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁴ Ibid.

⁵ European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.

frames anti-circumvention measures in terms of techniques such as complex financial schemes and third-country jurisdictions, and not merely in terms of straightforward legal breach. That official framing matters because it reveals the conceptual object of current EU practice. The target is no longer simply a sectoral flow, but the resilience of the network that sustains the flow. The broader and more adaptive the circumvention pattern becomes, the more hybrid the targeting logic must become in response^{1,2}.

For that reason, intermediary actors occupy a central place in hybrid targeting. In the older model of sanctions analysis, intermediaries could appear as secondary or derivative figures, significant mainly for enforcement. In the hybrid model, they become primary targets because they are often the very mechanism through which restricted capability is kept operational. A sanctions regime that ignores intermediaries may successfully prohibit formal dealings while leaving adaptation networks substantially intact. The EU's contemporary approach increasingly recognises this by imposing sanctions on persons and entities involved in circumvention, including those supporting Russia through third-country structures and those linked to the shadow fleet. What matters here is not only the legal identity of the intermediary, but the intermediary's systemic function. A company, trader, port user, financial operator, or corporate service provider may not be the original strategic actor, yet it may be indispensable to the continuity of restricted activity. Targeting logic therefore follows functional relevance rather than simple proximity to the Russian state. This is one of the decisive features that makes hybrid measures analytically distinct from narrower sectoral restrictions^{3,4}.

Routes are targeted for analogous reasons. A route is not merely a line of transport between origin and destination; it is an infrastructure of possibility, combining carriers, insurers, ports, customs documents, transshipment points, schedules, and tolerated risk assumptions. If the route remains available, a surprisingly wide range of otherwise restricted activity can still be conducted in altered form. That is why the EU has moved towards bans on port access, restrictions on service provision to vessels, and transaction bans involving Russian ports, locks, and airports used for circumvention of the oil price cap. These are not simply transport penalties. They are measures aimed at the continuity of the logistical environment itself. By narrowing route availability and contaminating route legitimacy, the Union increases cost, delay, opacity, and operational fragility even where some movement remains technically possible. The targeting logic is therefore one of infrastructural compression rather than merely transactional prohibition. Routes become objects of pressure because they are the connective tissue of circumvention^{5,6}.

The shadow fleet is the clearest practical illustration of this logic. On the current Consilium sanctions page, the EU states that access to EU ports has been banned for vessels that are part of Russia's shadow fleet, including those engaged in ship-to-ship transfers, those suspected of breaching sanctions, and those suspected of illegally interfering with or disabling their automatic identification system when transporting Russian oil. The same page notes that almost 600 vessels have been targeted so far, while the 17th package press materials describe the designation of 189 additional vessels, bringing the then total to 342 in that package cycle alone. These are not classical sectoral sanctions in the narrow sense. They are hybrid measures directed at the maritime system of concealment, reflagging, route opacity, and insurer-risk displacement that makes sanctions evasion scalable. The updated Price Cap Coalition advisory reinforces this by treating the maritime oil trade as an environment of intertwined safety, environmental, economic, reputational, financial, logistical, and legal risks. In other words, vessels are targeted not simply because they transport oil, but because they are nodes in a broader evasion

¹ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

² Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

³ Ibid.

⁴ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁵ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁶ Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.

architecture. Hybrid targeting thus follows network centrality and evasion functionality, not only commodity category^{1,2,3}.

Service ecosystems are targeted for similar structural reasons. Modern trade and finance depend not only on physical movement and bank transfers but on advisory, technical, software, compliance, classification, engineering, audit, and verification services. A sanctioned actor that loses direct access to these services does not simply lose convenience. It loses reliability, legal comfort, coordination quality, and access to high-trust international operating standards. The Commission's guidance on the provision of services and its broader sanctions FAQ architecture make clear that the EU treats these functions as operationally significant rather than secondary. In hybrid logic, service providers are not peripheral helpers but part of the enabling structure that allows sanctioned business to remain governable and scalable. Restricting a service ecosystem therefore weakens substitution capacity in a way that pure commodity denial may not. This is especially true when the targeted side is forced to rely on less reputable, less experienced, or more legally exposed alternatives. Hybrid measures accordingly target service environments because they are the organisational substrate of adaptation^{4,5}.

Facilitating structures occupy an even broader category. These include not only corporate intermediaries and service firms, but also ownership-concealment devices, payment infrastructures, financial messaging systems, customs and documentation channels, and third-country subsidiaries or partners that reproduce a prohibited outcome at one remove from the primary restriction. The anti-circumvention section of the Consilium page now explicitly notes that EU parent companies are required to ensure that their third-country subsidiaries do not take part in activities resulting in an outcome that sanctions seek to prevent. The same section refers to due-diligence obligations for battlefield goods, the "no-Russia" clause, notification requirements for large transfers of funds, and restrictions addressing crypto-related circumvention risk. These are all examples of measures aimed not at one sector as such, but at the enabling mechanisms through which restrictions can be neutralised in practice. Hybrid targeting thus follows the path of practical substitution. The more important a structure is for concealment, rerouting, or indirect benefit, the more likely it becomes an appropriate target. This explains why hybrid measures often look diffuse: they are not diffused by accident, but by design, because the object of pressure is itself diffuse^{6,7}.

That functional targeting logic, however, immediately creates attribution difficulties. In a direct sanctions case, attribution may be relatively straightforward: a listed bank, a named exporter, or a specified goods category can be linked to a clear legal prohibition. In hybrid cases, the relevant conduct is frequently indirect, layered, and partly inferential. The question is rarely whether one actor openly declared an intention to circumvent sanctions. More often, the question is whether a cluster of behaviours, commercial patterns, route anomalies, ownership arrangements, or service links is sufficient to establish that an actor forms part of a facilitating structure. The Commission has repeatedly noted that circumvention techniques are increasingly complex and opaque, while the Consilium page refers to complex financial schemes and falsification of the nature or origin of traded goods. This means that attribution in hybrid sanctions often depends on red-flag constellations rather than on a single conclusive fact. Such environments complicate both enforcement and legitimacy, because the strongest operational targets are frequently those for which the causal chain is functionally compelling

¹ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

² Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

³ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁴ European Commission. (2026, January 22). *Provision of services*. Directorate-General for Financial Stability, Financial Services and Capital Markets Union.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁶ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁷ Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (consolidated version of 20 July 2025).

but evidentially dispersed. Hybrid targeting is therefore analytically necessary, but never evidentially simple^{1,2}.

Beneficial ownership is one of the most persistent sources of attribution difficulty. If control is exercised through layered entities, nominee arrangements, family associations, shell structures, or opaque jurisdictions, the formal legal counterparty may reveal very little about the real allocation of benefit and influence. Directive (EU) 2024/1226 responds to this reality by criminalising conduct linked to the concealment of funds and economic resources that should be frozen and by strengthening cooperation and information exchange between authorities. The Commission's enhanced due-diligence guidance similarly frames circumvention in terms of recurring risk assessment, evolving techniques, and the need to understand business-partner structures rather than rely on surface documentation. In hybrid targeting, therefore, attribution cannot be reduced to name matching. It requires pattern recognition across ownership, control, benefit, routing, documentation, and transaction context. This is precisely why hybrid measures tend to be intelligence-intensive and why they place such heavy demands on both public authorities and private operators. The legal object may be a person or entity, but the evidentiary problem is often a network hidden behind that person or entity^{3,4}.

Attribution is also difficult because hybrid sanctions operate in spaces of mixed-use activity. The same port, vessel, adviser, payment infrastructure, or logistics corridor may serve lawful and unlawful purposes at different times or for different clients. The same intermediary may not be a dedicated sanctions-evasion platform, yet may still facilitate circumvention through selective transactions. This raises a profound problem of calibration. If authorities wait for direct proof of intentional evasion in every case, many hybrid measures will arrive too late to matter. If they move too early on the basis of weak indicators, they risk overreach, false positives, and legal contestability. The OFAC-led coalition advisory reflects this reality by speaking in the language of risk exposure and best practices rather than pretending that every suspicious pattern can be reduced to perfect evidential certainty. Hybrid targeting therefore often proceeds through managed uncertainty rather than absolute knowledge. That may be operationally rational, but it also explains why legitimacy constraints are more acute in Part Six than in simpler forms of sectoral restriction^{5,6}.

Third-country involvement further complicates attribution. The EU's effectiveness page states clearly that tackling circumvention through third-country jurisdictions has become a key priority, while the sanctions timeline repeatedly highlights cooperation with third countries and measures against entities outside Russia that directly support the war or facilitate circumvention. From an operational perspective, this is inevitable: the geography of sanctions evasion is transnational. From a legitimacy perspective, however, such targeting is delicate. It can be criticised as extraterritorial in political discourse even where the legal obligations are framed in terms of EU jurisdiction, EU operators, access to EU services, or the use of EU-linked infrastructures. It can also generate diplomatic friction with states that are not formal parties to the sanctions' coalition. Hybrid targeting therefore depends not only on evidence and law, but on careful framing of jurisdictional nexus and functional justification. The more a measure reaches beyond a direct Russia–EU dyad, the more important it becomes to show that the target is not a politically convenient proxy but a demonstrable enabling node^{7,8}.

¹ European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.

² Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

³ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

⁴ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁶ European Commission. (2024, February 19). *Guidance on due diligence*.

⁷ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁸ Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.

These evidentiary difficulties feed directly into the question of proportionality. Hybrid measures are often defended precisely because they target the support system rather than only the primary act, but that same breadth can create the perception that the sanction is moving too far from the original objectionable conduct. If a vessel, company, service provider, or associated person is targeted not because of a direct contribution to aggression but because of its place in a facilitating network, then the normative case must explain why that link is sufficiently material to justify the resulting burden. General Court case law confirms that restrictive measures may extend to associated persons and entities in order to prevent circumvention and to increase pressure on the Russian authorities, but it also reaffirms that legal certainty, foreseeability, and proportionality remain applicable principles. The broader the targeting criterion becomes, the more important it is that objective criteria exist to discipline discretion. Hybrid sanctions are therefore strongest when their breadth is functional rather than speculative. Proportionality in this field does not require a direct causal link to the war in every case, but it does require a credible relationship between the measure and the prevention of circumvention or the disruption of war-sustaining capability^{1,2}.

Legal certainty is a related but distinct constraint. Hybrid targeting often proceeds by criteria such as association, facilitation, indirect benefit, or contribution to circumvention. Those criteria are operationally necessary because adaptation networks rarely announce themselves in explicit legal form. Yet they can also appear open-textured to affected parties. The judgment in *SBK Art v Council* is instructive here because it states that the principle of legal certainty requires EU legislation to be clear, precise, and foreseeable, while also holding that the association criterion limits the Council's discretion through objective criteria ensuring the degree of foreseeability required by EU law. In the same judgment, the General Court emphasised that the danger of circumvention through associated persons helps explain why measures can legitimately extend beyond actors directly linked to the situation in Ukraine. The implication is not that breadth and certainty are incompatible, but that breadth must be translated into administrable and reviewable criteria. Hybrid measures therefore require especially careful drafting and statement of reasons. Without that discipline, functional necessity can too easily drift into contestable over-inclusion³.

The problem of mistaken identity illustrates why legitimacy in hybrid sanctions cannot be reduced to strategic utility. The Council's 2024 Best Practices document devotes specific attention to claims concerning mistaken identity and stresses the need for further identifiers, cooperation among Member States and institutions, and transparent procedures to refute false positive matches. It also states that a transparent and effective de-listing procedure is essential to the credibility and legitimacy of restrictive measures and that de-listing is appropriate wherever the listing criteria are no longer met. These principles are especially important in hybrid cases, because network-oriented targeting often widens the circle of potentially affected actors. As the object of pressure shifts from direct perpetrators to associated networks, the risk of factual misidentification, outdated information, or insufficiently specific identifiers rises. Legitimacy therefore depends not only on correct strategic design, but on correct reversible administration. A hybrid regime that lacks robust correction mechanisms may still generate pressure, but it will do so at mounting legal and political cost⁴.

Humanitarian and civilian-impact considerations impose an additional layer of legitimacy discipline. The EEAS legality page states that EU sanctions never target the civilian population and that food, medicine, and emergency supplies do not fall under EU sanctions, while noting the existence of derogations and exemptions for humanitarian action and basic needs. The Council Best Practices document likewise emphasises humanitarian authorisations, priority handling where appropriate, and coordination in the granting of derogations. In hybrid sanctions, these safeguards become particularly important because network and infrastructure measures can affect broader operating environments rather than only named

¹ SBK Art OOO v Council, Case T-102/23, Judgment of the General Court of 30 April 2025.

² European External Action Service. (2025, January 9). *Legality of sanctions*.

³ SBK Art OOO v Council, Case T-102/23, Judgment of the General Court of 30 April 2025.

⁴ Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures* (11623/24).

persons. A port, service ecosystem, payment channel, or logistics route may support lawful as well as unlawful activities. The more the sanction targets enabling structures, the more necessary it becomes to demonstrate that humanitarian pathways and basic civilian interests remain legally protected and administratively usable. Otherwise, the very sophistication of hybrid targeting may begin to erode its normative legitimacy. Legitimacy in this field therefore depends not only on striking the right targets, but on showing that the architecture of exceptions is genuine rather than merely formal^{1,2}.

Legitimacy also depends on the availability of judicial review. The EEAS pages on legality and sanctions types both emphasise that targeted persons and entities must have their fundamental rights respected, that they are informed of listing, that they may request de-listing, and that they may challenge their listing before the European courts. This matters particularly in hybrid sanctions because the measures often rely on relational criteria, association logic, or circumvention-risk indicators rather than on a single explicit prohibited act. Judicial review performs two functions here. It protects the rights of affected parties, and it also forces the sanctions system to maintain a defensible evidential and reasoning standard. In other words, review is not an external obstacle to effectiveness but part of long-run legitimacy. A hybrid regime without credible review would risk becoming progressively less trusted, both internally and externally. The more sophisticated the targeting logic becomes, the greater the need for equally sophisticated procedural safeguards^{3,4}.

Coalitional legitimacy is another constraint that should not be overlooked. The EEAS effectiveness page argues that sanctions work best when implemented by as many actors as possible and emphasises coordination with G7 partners and broader alignment efforts. This is not merely a question of effectiveness in the narrow sense. In hybrid sanctions, broad alignment also helps legitimise measures that reach into routes, intermediary jurisdictions, and service ecosystems extending beyond the territorial core of the sanctioning authority. Where coordination is strong, the measure appears less as unilateral regulatory ambition and more as collective defence of an agreed sanctions perimeter. Where coordination is weak, the same measure is more easily criticised as selective, geopolitical, or extraterritorial. Hybrid sanctions therefore depend for part of their legitimacy on coalition management and partner communication. Their cross-border nature requires a correspondingly wide justificatory base^{5,6}.

A further legitimacy difficulty arises from the preventive character of sanctions. The EEAS describes sanctions as preventive and non-punitive instruments that are part of a broader diplomatic approach. That description is conceptually important because hybrid measures often act before complete harm materialises or before a fully documented chain of support is publicly visible in every detail. Their rationale is not retrospective punishment but the disruption of enabling conditions. Yet this preventive logic can be difficult to communicate where affected actors insist that their own direct contribution to objectionable conduct has not been proven to the criminal-law standard. Hybrid sanctions therefore live in a tension between strategic prevention and evidential contestability. They are justified precisely because waiting for complete proof can make circumvention harder to stop, but this same rationale increases the burden on authorities to explain why preventive interference remains proportionate and reviewable. Preventive logic can strengthen hybrid sanctions operationally, but only if matched by high standards of reasoning and transparency^{7,8}.

In that sense, hybrid targeting should be understood as an exercise in calibrated relational pressure. It is broader than classic sectoral sanctions because the object of concern is broader. It is evidentially

¹ European External Action Service. (2025, January 9). *Legality of sanctions*.

² Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures* (11623/24).

³ European External Action Service. (2025, January 9). *Legality of sanctions*.

⁴ European External Action Service. (2025, January 9). *What types of sanctions are in place*.

⁵ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁶ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁷ European External Action Service. (2025, January 9). *A peaceful tool of diplomacy*.

⁸ European External Action Service. (2025, January 9). *Legality of sanctions*.

harder because adaptation systems are deliberately opaque. And it is more legitimacy-sensitive because it often acts on the basis of network function, association, or circumvention risk rather than on one simple front-end act. These features do not weaken the case for hybrid measures; on the contrary, they explain why such measures have become central in the Russia regime. But they do mean that success depends on a more exacting balance of effectiveness, proof, proportionality, transparency, and review than in many other sanction types. Hybrid measures are therefore strongest when they remain tightly connected to demonstrable enabling functions and when correction mechanisms remain active and credible. The real risk is not that hybrid targeting is conceptually unsound, but that it may become analytically or administratively over-extended if its legitimacy constraints are treated as secondary^{1,2,3}.

For analytical clarity, the main relationships between targeting logic, attribution difficulty, and legitimacy constraints can be summarised as follows.

Table 6.1.4-1. Targeting logic, attribution difficulties, and legitimacy constraints in hybrid sanctions

Target object	Why hybrid sanctions focus on it	Main attribution difficulty	Main legitimacy constraint	Analytical implication
Intermediary entities and facilitators	They preserve restricted capability through indirect trade, finance, procurement, and service chains	Functional involvement is often clearer than direct legal culpability	Need to show material enabling role rather than guilt by association	Classification should rest on network function, not merely formal proximity
Routes, ports, locks, airports, and vessels	They are the connective infrastructure of circumvention and rerouting	Evidence is dispersed across shipping data, routing anomalies, transshipments, and service records	Risk of affecting lawful mixed-use transport and third-country actors	Route targeting must be accompanied by clear evidential indicators and exceptions
Service ecosystems	Advisory, software, technical, compliance, and maritime services sustain adaptation capacity	Support may be indirect, modular, and partly substitutable	Breadth may appear over-expansive if service relevance is not carefully reasoned	Service targeting is strongest when linked to demonstrable capability sustainment
Ownership and opacity structures	Concealment of control and benefit is central to sanctions evasion	Beneficial ownership and indirect benefit are often difficult to prove conclusively	High risk of mistaken identity, outdated information, or insufficient identifiers	Strong de-listing, review, and correction procedures are indispensable
Third-country subsidiaries and partner jurisdictions	Many circumvention patterns rely on geographic relocation rather than legal compliance	Jurisdictional nexus and knowing facilitation may be contested	Measures may be criticised politically as extraterritorial if poorly framed	Coalition coordination and precise legal hooks increase legitimacy
Associated persons and network-linked actors	Network pressure may require widening the circle to prevent circumvention	Linkage may be real in functional terms but not direct in transactional terms	Proportionality and legal certainty become especially salient	Association-based targeting must rely on objective and foreseeable criteria

Authorship: prepared by the author on the basis of official EU institutional materials, EU legal acts, EU best-practice guidance, coalition maritime-enforcement guidance, and cited case law

Sources:

- Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures (11623/24)*.

¹ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

² Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures (11623/24)*.

³ European External Action Service. (2025, January 9). *Legality of sanctions*.

- Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.
- Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.
- Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.
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The matrix shows that the core issue is not whether hybrid sanctions are broader than classical measures; that point is already evident. The real issue is whether their broader reach can remain evidentially disciplined and normatively legitimate. A measure directed at an enabling system will almost always face a more complex proof structure than a measure directed at a single named transaction or sector. That is the price of moving closer to the real adaptation pathways used by the target. However, legitimacy can still be preserved if targeting criteria remain objective, if correction mechanisms remain open, if humanitarian and civilian safeguards remain operational, and if the public rationale links each measure to a demonstrable facilitating function rather than to vague suspicion. Hybrid sanctions therefore require a higher standard of administrative craftsmanship than simpler sanctions, not a lower one. In this sense, effectiveness and legitimacy are not opposing values in Part Six; they are mutually dependent conditions of durable pressure^{1,2,3}.

A final conclusion follows. Hybrid measures are directed at intermediaries, routes, service ecosystems, and facilitating structures because those are the loci where adaptation actually occurs once direct sanctions bite. They are therefore structurally more appropriate than purely sectoral tools for late-phase anti-circumvention strategy. Yet their operational sophistication comes with correspondingly higher burdens of proof, justification, and procedural fairness. The more the EU relies on association, facilitation, route-based risk, and network function, the more carefully it must preserve legal certainty, proportionality, de-listing capacity, humanitarian safeguards, and judicial review. The strategic advantage of hybrid sanctions lies in their ability to destabilise the support systems of sanctioned conduct. Their strategic vulnerability lies in the possibility that insufficiently evidenced or insufficiently calibrated use could weaken the very legitimacy that makes sustained sanctions pressure politically and legally durable. For the purposes of this report, hybrid targeting should therefore be understood as necessary, but legitimacy-constrained, network disruption^{4,5,6}.

¹ Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures (11623/24)*.

² European External Action Service. (2025, January 9). *Legality of sanctions*.

³ SBK Art OOO v Council, Case T-102/23, Judgment of the General Court of 30 April 2025.

⁴ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁵ European External Action Service. (2025, January 9). *A peaceful tool of diplomacy*.

⁶ European External Action Service. (2025, January 9). *Legality of sanctions*.

6.2. Review of Hybrid Instruments

6.2.1. Anti-Circumvention Measures and Controls on Intermediary Jurisdictions

Anti-circumvention measures should be treated as one of the most distinctively hybrid components of the EU sanctions regime against Russia because they are not limited to prohibiting a primary act; instead, they are designed to interrupt the adaptive pathways through which a prohibited act is reconstructed via other channels. In the current sanctions architecture, this means that the object of restriction is not only a shipment, a payment, or a named counterparty, but also the surrounding system of contractual, logistical, financial, corporate, and jurisdictional arrangements that keeps restricted activity operational. The EEAS has stated explicitly that tackling possible circumvention attempts, including through third-country jurisdictions, has become a key priority in order to ensure the full effectiveness of EU sanctions and guarantee that sanctioned goods do not reach Russia. That formulation is analytically important because it frames circumvention not as an accidental defect at the margins of the regime, but as a central battlefield of sanctions governance. Once that premise is accepted, anti-circumvention measures cease to be merely ancillary enforcement devices and become substantive restrictive instruments in their own right. They are hybrid because they combine legal norms, trade monitoring, contractual controls, due diligence obligations, private-sector screening, and differentiated treatment of third-country exposure. They also operate at several levels simultaneously: the EU legal order, the conduct of Union operators, the behaviour of subsidiaries outside the Union, and the risk environment of intermediary jurisdictions. In that sense, 6.2.1 does not address a narrow technical appendage to the sanctions' regime. It addresses one of the regime's principal adaptive innovations^{1,2}.

The rise of anti-circumvention measures reflects a broader shift in the empirical pattern of Russian adaptation. By 2023, the EU openly acknowledged that abnormal increases were appearing in third countries' imports of goods banned by the EU, including high-technology items. In a notable EEAS clarification, Josep Borrell stressed that the issue was not simply whether third countries were acting lawfully under their own legal orders, but whether EU operators, directly or indirectly, were enabling the rerouting of banned products and thereby undermining the effectiveness of restrictive measures. This distinction matters greatly. The anti-circumvention problem is not exhausted by the formal legal status of third-country conduct; it is located in the functional relationship between that conduct and EU-origin prohibitions. In practical terms, this means that intermediary jurisdictions become relevant when they serve as bridges between prohibited EU-origin activity and Russian end-use. The EU's response has therefore increasingly targeted not only the "what" of sanctions—the goods, services, or funds—but the "how" and "through whom" of continued access. Controls on intermediary jurisdictions are thus better understood as controls on rerouting ecologies. They are hybrid precisely because they are directed at chains of adaptation rather than at one discrete act^{3,4}.

The 11th sanctions package marked the decisive institutional turning point in this regard. The EEAS described that package as introducing a new anti-circumvention tool allowing the EU to restrict the sale, supply, transfer, or export of specified sanctioned goods and technology to certain third countries where there is a particularly high and persistent risk of circumvention. Conceptually, this was a major step. The EU moved beyond the assumption that sanctions effectiveness could be protected only through better enforcement of direct prohibitions, and instead created a framework for acting against high-risk external transmission channels themselves. The importance of that move lies less in the frequency with which the tool must be used and more in the change of strategic posture it embodies. The anti-circumvention instrument signalled that intermediary geographies had become part of the sanctions object. It also

¹ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

² European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

³ Ibid.

⁴ European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.

demonstrated that sanctions policy had entered a stage where route substitution, jurisdictional arbitrage, and proxy trade were treated as systemic issues rather than marginal leakages. The move from direct transaction control to jurisdiction-sensitive circumvention control is one of the clearest indicators that EU sanctions against Russia have matured into a hybrid regime^{1,2}.

Yet the EU has simultaneously tried to keep this anti-circumvention turn within a politically defensible frame. The same 2023 EEAS clarification emphasised that EU sanctions are not extraterritorial and apply only to European entities, and that any effort to combat circumvention through third countries is therefore delicate and must avoid antagonising states that are not subject to European law. This caution is not rhetorical surplus. It is constitutive of the architecture. Controls on intermediary jurisdictions must be strong enough to affect rerouting, but not so crudely framed that they collapse into a politically self-defeating claim to universal jurisdiction. As a result, the EU has tended to build anti-circumvention controls through nexus-based techniques: obligations imposed on Union operators, restrictions linked to access to EU-origin goods or services, contractual clauses binding third-country counterparties, due diligence requirements attached to exports, and transaction bans on institutions using Russian circumvention infrastructure. This design is central to understanding why EU anti-circumvention measures are hybrid rather than simply extraterritorial. They operate through the governance of EU-linked economic relationships rather than through a direct assertion of legal power over the whole world. In practice, that makes them more administratively sustainable and politically more defensible, even if it also makes them slower and more dependent on operator compliance^{3,4}.

A central pillar of this architecture is the so-called “no re-export to Russia” clause in Article 12g of Regulation 833/2014. According to the Commission’s dedicated FAQ, Article 12g aims to combat the circumvention of EU export bans, more specifically the situation where goods exported to third countries are re-exported to Russia. This is a paradigmatic hybrid instrument. It does not prohibit only the initial export from the Union. It requires Union operators to project sanctions logic into their contracts with third-country commercial counterparties, thereby turning private contract law into an anti-circumvention transmission mechanism. In effect, the EU makes the Union operator responsible not only for its own direct transaction, but also for creating legally meaningful downstream barriers against onward re-export to Russia. The anti-circumvention effect thus arises through the interaction of public law, private contracting, and downstream commercial enforcement. This is not merely a trade rule with spillover consequences. It is a deliberately hybrid measure that externalises part of the sanctions’ perimeter into the contractual architecture of cross-border commerce^{5,6}.

The legal design of Article 12g also reveals how carefully the EU has tried to balance control and operability. Recital material associated with the 2024 amendment to Regulation 833/2014 states that, for contracts concluded before 19 December 2023, the obligation under Article 12g may be considered met if the contract contains a general clause prohibiting exportation and re-exportation of the relevant goods to jurisdictions targeted by Union restrictive measures and sets out adequate remedies in the event of breach. This is significant because it shows that the EU is not merely demanding a symbolic declaration. It expects sanctions logic to be embedded in the remedial structure of the contract itself. In other words, anti-circumvention is not framed only as a question of operator goodwill or abstract due care. It is framed as a matter of commercial architecture: clause design, breach consequences, allocative risk, and contractual discipline. This is one of the clearest examples in the Russia regime of how hybrid sanctions work by reorganising the legal infrastructure of trade rather than only banning

¹ European External Action Service. (2023, June 22). *EU adopts 11th package of sanctions against Russia for its continued illegal war against Ukraine*.

² European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

³ European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.

⁴ European External Action Service. (2025, January 9). *Legality of sanctions*.

⁵ European Commission. (2024, December 18). *“No re-export to Russia” clause*.

⁶ European Commission. (2024, February 22). *Frequently asked questions concerning the “No re-export to Russia” clause and sanctions adopted following Russia’s military aggression against Ukraine*.

items. The Union is, in effect, requiring operators to build sanctions resilience into private legal instruments that govern third-country relations^{1,2}.

The 2024 amendments went further by widening the anti-circumvention concept beyond the simple re-export of goods. The official Journal recital states that Union operators must contractually prohibit their commercial counterparts in third countries from using, or allowing the use of, transferred intellectual property rights, trade secrets, or protected information in connection with common high priority items to be sold, supplied, or exported to Russia or for use in Russia. This is analytically important because it shows the EU moving from commodity control to knowledge-control and control-over-use. Anti-circumvention thus extends not only to the movement of physical goods but to enabling intangibles that can support Russian military or industrial capacity. This is a textbook hybrid move. It reaches into the interface between export control, contract design, intellectual property, and technology governance. It also indicates that intermediary-jurisdiction controls are no longer confined to obvious trade-routing issues. They increasingly seek to interrupt broader transfer-of-capability mechanisms that might operate through licensing, technical documentation, know-how, or other non-physical assets. The anti-circumvention regime thereby becomes more sophisticated and also more dependent on private-law discipline³.

A second major pillar is Article 12gb, which introduces enhanced due diligence obligations for operators manufacturing and/or trading with common high priority (CHP) items. The Commission's 2025 FAQ states that the purpose of this measure is to strengthen the due diligence of EU operators in response to the problem of re-exportation of CHP items. The measure applies not only to Union-based actors trading those items, but also—crucially—to legal persons, entities, and bodies outside the Union that are owned or controlled by EU actors, unless excluded by the Regulation. This is an exceptionally important development for the architecture of anti-circumvention. It means that the EU is no longer satisfied with controlling only the immediate outbound export from the Union. It is now requiring risk-identification and mitigation mechanisms to travel outward through corporate control relationships into third-country structures. This is a quintessential control on intermediary jurisdictions, but it is done through ownership nexus rather than through direct extra-territorial legislation. In operational terms, the measure converts the corporate group into a sanctions-governance channel^{4,5}.

The CHP due-diligence regime is also notable for its selective geography. The relevant FAQ states that Article 12gb does not apply to operators that only sell, supply, transfer, or export the relevant items within the Union or to partner countries listed in Annex VIII to Regulation 833/2014. This differentiation is significant. The EU is not treating all third-country destinations as identical risk environments. Instead, it is building a risk-stratified approach in which certain partner countries are effectively recognised as lower-risk environments for anti-circumvention purposes, while other jurisdictions remain subject to tighter controls. This approach is one of the most sophisticated features of the regime. It avoids the bluntness of a universalised suspicion model while still preserving a strong regulatory basis for targeting higher-risk re-export corridors. In practice, it also gives the EU leverage to structure external alignment through incentives, trust gradations, and functional partnership. Controls on intermediary jurisdictions thus become differentiated rather than undirected. That differentiation helps preserve proportionality and administrative efficiency while still supporting a network-based anti-circumvention strategy^{6,7}.

¹ European Commission. (2024, February 22). *Frequently asked questions concerning the “No re-export to Russia” clause and sanctions adopted following Russia’s military aggression against Ukraine*.

² Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.

³ Ibid.

⁴ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁵ Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.

⁶ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁷ Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.

Another important development is the move from identifying circumvention patterns to prohibiting specific trade outcomes that arise through third-country transformation. The current Consilium sanctions page states that the EU bans imports of refined petroleum products made from Russian oil and coming from third countries. This is a highly revealing evolution. In 2023, the EEAS had described this issue as a practical and moral dilemma: once Russian oil is refined in a third country, the resulting products are legally treated as originating there, yet in practical terms such trade can undermine the sanctions regime. The later shift towards explicit restriction shows how anti-circumvention can evolve from problem recognition to direct control over intermediary-jurisdiction trade channels. This is hybrid not only because it addresses indirect Russian revenue exposure, but because it targets a transformed output rather than the original input. It thereby attacks the rerouting-and-processing chain as a sanctions-relevant structure. In methodological terms, it confirms that intermediary-jurisdiction controls are not confined to goods “in transit”. They can also address downstream commodity laundering through transformation processes outside Russia^{1,2}.

Transport controls have likewise been used in anti-circumvention mode. The 2024 amendment to the sanctions’ regime states that, in order to minimise the risk of circumvention, Union operators that are owned 25% or more by a Russian natural or legal person should be prohibited from becoming a road transport undertaking or from transporting goods by road in the Union, including in transit, subject to specified exceptions. This is a notable example of the EU targeting intermediary capacity rather than only final destination. The measure does not merely ask whether the transported goods are prohibited. It asks whether the transport undertaking itself constitutes a circumvention vulnerability because of its ownership structure and role in the logistical chain. That is a strongly hybrid logic. Legal status, ownership transparency, routing capacity, and transit infrastructure are combined into one restrictive technique. The measure also requires road transport undertakings to disclose their ownership structure to national competent authorities upon request, thereby linking anti-circumvention to transparency obligations and investigatory access. This kind of control shows how the regime increasingly targets the organisational carriers of rerouting, not only the goods being rerouted³.

Financial connectivity has also become a central site of controls on intermediary jurisdictions. The 16th package introduced, for the first time, a transaction ban on credit or financial institutions established outside Russia that use the System for Transfer of Financial Messages (SPFS) of the Central Bank of Russia, explicitly identifying SPFS as a specialised financial messaging service developed to neutralise the effect of restrictive measures. This matters because it moves anti-circumvention controls into the infrastructure of signalling and settlement rather than only the front-end banking relationship. It also signals a willingness to target third-country institutions where they embed themselves in Russian substitution architecture. The current sanctions pages further indicate bans on EU operators’ engagement with the Russian “Mir” card system and the “faster payments system” (SBP), as well as transaction bans involving certain banks from third countries. Together these measures indicate a clear regulatory logic: if Russia attempts to externalise financial continuity through alternative messaging and payment ecosystems, the EU will increasingly treat those ecosystems themselves as sanctions-relevant enabling structures. Anti-circumvention therefore extends from goods and routes into financial infrastructures that facilitate the persistence of restricted activity^{4,5,6}.

Entity listings in third countries are a further component of this anti-circumvention toolkit. The Commission’s 17th-package statement notes that 31 new companies were added to the list of those providing direct or indirect support to Russia’s military-industrial complex or engaged in sanctions

¹ Council of the European Union. (2025). *Russia’s war against Ukraine: EU sanctions*.

² European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.

³ Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.

⁴ Council of the European Union. (2025, February 24). *Three years of Russia’s full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

⁵ Council of the European Union. (2025). *Russia’s war against Ukraine: EU sanctions*.

⁶ Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.

circumvention, including companies established in Turkey, Vietnam, the UAE, Serbia, and Uzbekistan. The Council's corresponding statement similarly emphasises entities in Serbia, the UAE, Türkiye, Vietnam, and Uzbekistan that had been involved in the circumvention of export restrictions, including those relating to UAVs and machine tools. The significance of such listings extends beyond the individual names involved. They signal that intermediary jurisdictions are no longer treated merely as passive spaces through which circumvention happens. They are being translated into operationally differentiated risk environments in which specific firms can be isolated, tainted, or cut off where they perform enabling functions. This is not a general sanction on a third country. It is a selective, network-based intervention into the corporate nodes that make circumvention viable. Such measures therefore exemplify the EU's preference for functional targeting over broader geopolitical confrontation with non-aligned states^{1,2}.

The same logic was already visible in the 16th package. The Commission stated that the package imposed targeted export restrictions on 53 new companies supporting Russia's military-industrial complex or engaged in sanctions circumvention, including 34 companies in countries other than Russia. This shows that the EU is not waiting passively for circumvention networks to mature fully before responding. Instead, it is increasingly using listings and export-restriction extensions to destabilise intermediary corporate channels early enough to raise the cost of adaptation. That preventive character is important. Anti-circumvention in 6.2.1 is not merely reactive clean-up after leaks appear; it is increasingly structured as anticipatory disruption of the infrastructure through which future leakage would occur. The control of intermediary jurisdictions is therefore part of a forward-looking strategy of network pre-emption. This is one reason why anti-circumvention measures sit so centrally in the hybrid domain. They aim to alter the medium in which adaptation could take place, not only its already visible instances^{3,4}.

Controls on intermediary jurisdictions should therefore be understood less as territorial sanctions and more as sanctions on functional exposure. The relevant question is not whether a country is "friendly" or "hostile" in the abstract. The relevant question is whether particular jurisdictions, sectors, firms, subsidiaries, routes, or financial infrastructures are serving as bridges between EU-regulated restrictions and Russian end-use. This has major consequences for classification. It means that the anti-circumvention regime is not aimed at simple diplomatic punishment of third states. It is aimed at identifying the places where adaptation has become materially possible and then attaching obligations or restrictions at those points. That is why the EU's measures combine contract clauses, due diligence requirements, entity listings, payment-system restrictions, disclosure obligations, and differentiated treatment of destinations. The control is therefore granular rather than purely geopolitical. Hybrid sanctions in this field are best described as network governance under conditions of legal asymmetry^{5,6}.

A further defining feature of these measures is the externalisation of sanctions enforcement into private governance. Article 12g makes contractual clauses part of anti-circumvention architecture. Article 12gb makes enhanced due diligence a continuing governance obligation for operators handling CHP items. The Commission's broader sanctions FAQs are explicitly presented as guidance to national authorities, EU operators, and citizens for implementation and interpretation. This confirms that the EU is treating operators not only as addressees of sanctions, but as distributed enforcement nodes. Controls on intermediary jurisdictions thus work in large part by requiring EU-based firms to internalise geopolitical risk, trace downstream exposure, screen counterparties, and build sanctions resilience into group governance and transaction design. The state still sets the perimeter, but a significant portion of

¹ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

² Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

³ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

⁴ Council of the European Union. (2025, February 24). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

⁵ European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.

⁶ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

practical filtering and risk denial is delegated to the market. This is not a sign of weak enforcement. In hybrid sanctions, it is a core mechanism of enforcement^{1,2,3}.

The effectiveness logic of these anti-circumvention tools lies less in absolute closure than in controlled narrowing of usable channels. A third-country rerouting corridor need not be eliminated entirely in order for the sanction to matter. It is often sufficient that access becomes riskier, slower, more heavily documented, contractually constrained, or dependent on a smaller pool of more exposed intermediaries. This is exactly the kind of effect produced by no-re-export clauses, due diligence obligations, entity listings in third countries, and transaction bans on institutions using Russian substitute infrastructures. Each measure may appear limited in isolation. However, together they compress the operational space in which sanctioned trade, technology transfer, or payment continuity can be organised. Anti-circumvention controls are therefore cumulative by design. They are not aimed only at catching violators after the fact; they are aimed at forcing the Russian adaptation system into narrower and more fragile substitutes^{4,5}.

At the same time, these controls are heavily dependent on information quality. The Council's 2024 Best Practices document notes that implementation problems arise where the information on a designated person or entity is limited and stresses the urgency of further identifiers. In anti-circumvention work, this informational problem is even more acute, because the relevant object is often not a listed person as such but an evolving pattern of rerouting, indirect benefit, control, or facilitation. A jurisdiction can be high-risk without every operator in it being problematic. A company can be formally legitimate while still functioning as an evasion node. A counterparty may not appear suspicious until trade anomalies, route behaviour, ownership opacity, and product profile are read together. This makes anti-circumvention measures especially intelligence-dependent and gives them a strong evidentiary fragility if implementation capacity is weak. Controls on intermediary jurisdictions are therefore only as effective as the data systems, operator vigilance, and authority coordination that support them^{6,7}.

There is also a clear proportionality and legitimacy challenge. The EEAS has repeatedly stressed both that circumvention through third countries is a priority concern and that EU measures are not extraterritorial. This dual commitment creates a narrow path. The Union must act strongly enough to prevent its own sanctions from being neutralised, but carefully enough to avoid treating all trade with non-aligned jurisdictions as presumptively illegitimate. The anti-circumvention model developed so far reflects that tension. It prefers nexus-based techniques, differentiated country treatment, operator obligations, targeted listings, and contract-based controls rather than broad jurisdiction-wide embargoes on third countries. That is a strategically prudent design. It preserves the functional effectiveness of the regime while reducing the risk of overt diplomatic backlash and charges of uncontrolled extra-territoriality. Nonetheless, as anti-circumvention tools become denser and more intelligence-intensive, the line between necessary network control and over-extension will remain contested^{8,9}.

Directive (EU) 2024/1226 strengthens this architecture by pushing circumvention more firmly into the domain of punishable conduct. The Directive defines criminal offences and penalties for violations of Union restrictive measures and addresses concealment-linked behaviour, thereby reinforcing the

¹ European Commission. (2024, January 26). *Consolidated FAQs on the implementation of Council Regulation No 833/2014 and Council Regulation No 269/2014*.

² European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

³ European Commission. (2024, February 22). *Frequently asked questions concerning the "No re-export to Russia" clause and sanctions adopted following Russia's military aggression against Ukraine*.

⁴ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁵ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁶ Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures (11623/24)*.

⁷ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁸ European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.

⁹ European External Action Service. (2025, January 9). *Legality of sanctions*.

seriousness with which anti-circumvention is treated in EU law. For 6.2.1, the significance of the Directive is not limited to criminalisation itself. Its deeper significance lies in the fact that it supports the broader hybrid movement from formal prohibition to active management of concealment, facilitation, and evasion networks. Anti-circumvention measures against intermediary jurisdictions are more credible when the legal system treats concealment and evasion architecture as matters of serious offence rather than mere regulatory inconvenience. The Directive therefore underpins the harder edge of the hybrid regime. It helps ensure that contractual, informational, and due-diligence tools are nested within a stronger enforcement environment^{1,2}.

For analytical clarity, the principal anti-circumvention instruments and controls on intermediary jurisdictions can be summarised as follows.

Table 6.2.1-1. Anti-circumvention instruments and controls on intermediary jurisdictions in the EU sanctions regime against Russia

Instrument / control	Core legal or policy carrier	Immediate target	Operational logic	Why it is hybrid
Anti-circumvention tool (11th package)	11th package political–legal framework	High-risk third-country channels for specified sanctioned goods and technology	Allows targeted restriction where persistent circumvention risk emerges through third-country rerouting	It links direct export control with jurisdiction-sensitive external risk management
“No re-export to Russia” clause (Art. 12g)	Regulation 833/2014; Commission FAQ	Third-country contractual counterparties of Union operators	Requires contractual prohibition of re-export to Russia and adequate remedies in case of breach	It externalises sanctions logic into private contract law and downstream trade governance
CHP enhanced due diligence (Art. 12gb)	Regulation 833/2014; 2024/1745 amendment; Commission FAQ	Union operators and controlled entities outside the Union dealing with common high priority items	Requires risk-identification and mitigation mechanisms for re-export exposure, except for certain partner countries	It combines export control, ownership nexus, destination differentiation, and private compliance governance
Control of intangible enabling assets	2024/1745 recital logic	Third-country use of IP rights, trade secrets, and protected information tied to sensitive items	Prevents transferred intangible assets from supporting Russian access to restricted capabilities	It extends anti-circumvention from physical goods to knowledge, design, and know-how infrastructures
Refined products from Russian crude via third countries	Current EU Russia sanctions framework	Downstream commodity flows transformed in intermediary jurisdictions	Blocks indirect Russian-origin value recovery through third-country refining and re-export	It targets transformed output chains rather than only original Russian-origin input
Road transport ownership / transparency rules	2024/1745 amendment	Russian-owned or Russian-linked road transport undertakings in the Union	Narrows logistical circumvention channels by targeting ownership-linked transport infrastructure	It combines transit control, ownership scrutiny, and anti-circumvention transparency obligations
Controls on SPFS / Mir / SBP and certain third-country banks	16th package; current finance sanctions architecture	Third-country financial intermediaries linked to Russian substitute systems	Restricts use of alternative payment and messaging ecosystems created to neutralise sanctions	It targets enabling financial infrastructure rather than only direct banking relationships
Third-country enabler listings	16th and 17th package listings	Companies in third countries supporting Russia’s military-industrial	Isolates specific corporate nodes in intermediary jurisdictions without sanctioning whole states	It uses network-based selective targeting to destabilise rerouting and facilitation structures

¹ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

² European External Action Service. (2025, January 9). *Legality of sanctions*.

Instrument / control	Core legal or policy carrier	Immediate target	Operational logic	Why it is hybrid
		complex or engaged in circumvention		

Authorship: prepared by the author on the basis of official EU institutional materials, EU legal acts, Commission guidance, and coalition-linked enforcement documentation

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- European External Action Service. (2025, January 9). *Legality of sanctions.*
- European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.*

The table shows that the anti-circumvention regime is not composed of one master instrument, but of a layered toolkit aimed at different points in the adaptation chain. Some tools operate upstream, such as contract clauses and due diligence obligations that attempt to prevent leakage before it materialises. Others operate at the middle of the chain, such as listings of third-country enablers, transport ownership controls, and restrictions on substitute financial infrastructures. Still others operate downstream, such as the prohibition on imports of refined petroleum products made from Russian oil in third countries. Taken together, these measures show that the EU has moved decisively away from the view that sanctions effectiveness can be protected only at the point of direct export or direct payment. The new architecture is broader, more preventive, and more structurally aware. It aims to make intermediary

jurisdictions less useful as adaptation spaces without collapsing into indiscriminate antagonism towards third countries as such. That is precisely what makes these instruments hybrid^{1,2,3}.

A final conclusion follows. Anti-circumvention measures and controls on intermediary jurisdictions should be treated in this report as a core family of hybrid instruments because their main purpose is to degrade Russia's adaptive access to restricted goods, services, technologies, and payment channels by attacking the systems through which substitution is organised. They do not operate mainly by direct sectoral denial, nor merely by symbolic political signalling, nor solely by doctrinal legal prohibition. Their coercive force arises from the interaction of trade law, contract law, due diligence, ownership control, route management, corporate-group governance, financial-infrastructure restrictions, and selective external targeting. This makes them operationally indispensable in a long sanctions cycle, but also more administratively demanding and diplomatically sensitive than simpler measures. Their success depends on information quality, operator vigilance, differentiated country risk assessment, and the continued ability of the EU to maintain legitimacy while acting against circumvention through third-country space. In strategic terms, they are best understood as the regime's principal tools for narrowing the geography of evasion without claiming universal jurisdiction^{4,5,6}.

6.2.2. Logistics, Maritime Routing, and the Shadow Fleet as Hybrid Pressure Zones

Logistics, maritime routing, and the shadow fleet should be treated as core hybrid pressure zones because they sit at the intersection of trade, energy, finance, insurance, safety regulation, maritime surveillance, and sanctions enforcement. In the Russia case, maritime pressure is not limited to stopping a shipment or banning a vessel from a specific port. It operates by making the entire seaborne chain less reliable, less insurable, less transparent, and more expensive to sustain over time. This is why the maritime domain has become one of the most active sites of sanctions innovation since 2024–2025. The EU sanctions pages now treat vessels involved in Russia's shadow fleet, ship-to-ship transfers, and AIS manipulation as central objects of restrictive action, while the Price Cap Coalition frames maritime oil trade as a high-risk space linking legal, financial, logistical, environmental, and reputational exposure. The analytical importance of this development is straightforward. Once maritime transport becomes the main adaptation corridor for restricted oil and associated revenues, logistics cease to be a secondary implementation issue and become a substantive theatre of coercive pressure. In that environment, shipping is not just a neutral transport service. It is part of the enabling infrastructure of sanctions evasion and war-financing continuity. Maritime sanctions are therefore hybrid not because they touch many sectors incidentally, but because their restrictive force is inherently cross-domain^{7,8}.

The centrality of maritime routing follows from the structure of Russian adaptation under oil-related restrictions. If direct financial and commercial channels narrow, seaborne transport, ship registration, ship management, cargo documentation, intermediary ownership, and ship servicing become the practical means through which restricted trade can still be executed. The sanction target is therefore not merely the commodity itself, but the routing ecology that allows it to move while obscuring origin, price-cap compliance, beneficial ownership, and service dependencies. That is why the current EU sanctions framework no longer treats maritime restrictions as peripheral. The Council's sanctions page explicitly links the shadow fleet to the circumvention of the oil price cap and to Russia's energy revenues, while coalition advisories emphasise that the relevant risks arise across the whole maritime chain rather than at one single legal point. In practical terms, a tanker route is not simply a line on a map. It is a bundled

¹ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

² Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

³ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁴ European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.

⁵ European External Action Service. (2025, January 9). *Legality of sanctions*.

⁶ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁷ Ibid.

⁸ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

relationship involving insurer willingness, flag-state tolerance, port access, AIS behaviour, classification credibility, document integrity, crew arrangements, and counterparties prepared to bear sanctions risk. Once pressure is applied at several of those points simultaneously, the route itself becomes less dependable even if some voyages still occur. That is the operational hallmark of a hybrid pressure zone^{1,2}.

For this reason, the EU's maritime pressure strategy has progressively shifted from general transport restrictions to targeted interventions against the shadow fleet as an operational system. In the 16th package, the Commission stated that 74 additional vessels were targeted, bringing the total number of listed vessels to 153, while also introducing a new listing criterion targeting those who support the operations of unsafe oil tankers. In the 17th package, the EU listed 189 additional vessels, bringing the total to 342. In the 18th package, another 105 vessels were added, bringing the total to 444. The 19th package then brought the total number of listed vessels to 557, and in December 2025 the Council imposed restrictive measures on a further 41 vessels. The current Council sanctions page summarises the result as "almost 600 vessels so far". This sequence is analytically significant because it shows cumulative pressure not on one transaction but on the maritime infrastructure of evasion itself. The growth of listings is therefore not just quantitative escalation. It marks the consolidation of the shadow fleet as a defined object of hybrid sanctions policy^{3,4,5,6,7,8}.

Port access bans and bans on the provision of maritime services are especially important because they turn the physical geography of transport into a regulatory barrier. The current Council sanctions page states that the EU has banned access to EU ports for vessels that are part of Russia's shadow fleet transporting Russian crude oil or products made from Russian crude oil and responsible for circumventing the oil price cap, for vessels engaged in ship-to-ship transfers and suspected of breaching sanctions, and for vessels suspected of illegally interfering with or disabling their shipborne automatic identification system when transporting Russian oil. This is not merely a transport sanction in the narrow sense. It is a way of making EU-controlled maritime nodes unavailable to vessels whose operational profile itself is part of sanctions evasion. The ban therefore has a broader effect than denying a single port call. It degrades route planning, bunkering options, service availability, and the overall credibility of the vessel in future commercial interactions. Once a vessel becomes known as sanctions-exposed, the route it travels becomes more difficult to insure, finance, support, and legitimise. Port access restrictions thus act as nodes of wider route contamination^{9,10}.

The servicing dimension reinforces this effect. The Council's package statements repeatedly describe targeted vessels as being subject not only to port access bans but also to bans on the provision of a broad range of services related to maritime transport. This is crucial because maritime viability depends on a dense services layer: insurance, classification, emergency maintenance, crewing, payments, documentation, cargo handling, and ancillary technical support. Once services are restricted, the vessel is not simply excluded from one location. It is pushed into a weaker ecosystem of substitute providers that may be less reputable, more expensive, or more exposed to scrutiny. The Commission's targeted-vessels FAQ confirms that exceptions for port access and services are framed narrowly around maritime safety or urgent prevention of serious harm, such as offloading dangerous or polluting cargo, and even then are subject to strict conditions. This demonstrates that the service ban is intended to be robust, while still preserving emergency carve-outs necessary for safety and environmental protection. The

¹ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

² European Commission. (2024, February 1). *Price Cap Coalition Oil Price Cap (OPC) Compliance and Enforcement Alert*.

³ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

⁴ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁵ European Commission. (2025, July 18). *EU adopts 18th package of sanctions against Russia*.

⁶ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁷ Council of the European Union. (2025, December 18). *Russia's war of aggression against Ukraine: Council sanctions 41 vessels of the Russian shadow fleet*.

⁸ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁹ Ibid.

¹⁰ European Commission. (2025). *Sanctions adopted following Russia's military aggression against Ukraine*.

hybrid effect is clear. Law directly restricts service provision, but the larger coercive outcome is route destabilisation and capability erosion across the maritime chain^{1,2,3}.

Insurance is one of the most powerful hybrid choke points in this maritime regime. The updated Price Cap Coalition advisory treats recent developments in maritime oil trade as exposing stakeholders to increased safety, environmental, economic, reputational, financial, logistical, and legal risks. This framing is important because it shows that the insurance problem is not only one of sanctions compliance in the narrow formal sense. Insurers and related actors are asked to respond to a risk cluster in which sanctions exposure interacts with vessel age, opaque ownership, false documentation, high-risk routing, and questionable safety practices. The commercial logic of marine insurance therefore aligns with sanctions logic in a way that magnifies pressure beyond what a simple legal ban would achieve. A vessel that struggles to obtain reliable protection and indemnity coverage, or that can only do so through lower-trust arrangements, becomes less commercially usable and more expensive to deploy. Insurance thus converts legal suspicion into operational cost. That is exactly the sort of cross-domain transmission mechanism that defines hybrid sanctions^{4,5}.

Flagging and classification are equally important because they concern the legal identity and technical credibility of the vessel itself. The Price Cap Coalition advisory states that vessels in the shadow trade are often older ships operating past their traditional lifespans, that they are frequently registered with flag states that fail to meet their international obligations, and that there is an increased risk of falsified or fraudulent registration. EU sanctions also moved against vessels certified by the Russian Maritime Register of Shipping, irrespective of flag, and Commission FAQs explain that from 8 April 2023 vessels with RMRS certification are prohibited from accessing EU ports and locks. This means that the EU has not limited itself to visible flag-state identity alone. It has also targeted the certification ecosystem that underpins vessel legitimacy and operational acceptance. Flagging, registration, and classification therefore become part of the sanctions' battlefield. Hybrid pressure arises because maritime legality, technical certification, and sanctions enforcement are made to reinforce one another. A vessel with weak flag credibility or compromised certification becomes not only legally exposed but commercially suspect^{6,7,8}.

Opacity of ownership is another defining feature of maritime hybrid pressure. The Price Cap Coalition compliance alert lists opaque shipping and ancillary costs, third-country supply chain intermediaries, and complex and irregular corporate structures among the principal evasion methods associated with the oil price cap. This matters because a vessel's practical role in sanctions evasion may be obscured by shell companies, management entities, nominee structures, or rapidly changing ownership records. Direct legal responsibility may therefore be difficult to establish in a simple linear fashion. Yet the commercial and regulatory response does not depend solely on definitive courtroom-level proof in advance of every decision. It depends on whether the vessel and its network display a risk profile associated with evasion. Hybrid sanctions thus work through ownership opacity in two directions at once. Opacity helps the evasion network survive, but it also raises the commercial suspicion that drives

¹ Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

² Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*.

³ European Commission. (2025, June 30). *Targeted vessels*.

⁴ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁵ European Commission. (2024, February 1). *Price Cap Coalition Oil Price Cap (OPC) Compliance and Enforcement Alert*.

⁶ European Commission. (2023, July 24). *Access to EU ports*.

⁷ European Commission. (2025). *Article 5aa of Council Regulation 833/2014 — State-owned enterprises*.

⁸ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

de-risking, service withdrawal, and route exclusion. The result is a self-reinforcing pressure dynamic in which concealment increases the very risk penalties that make maritime operations harder to sustain^{1,2}.

Maritime tracking is a further core mechanism of hybrid pressure. The Commission's ports FAQ explains that monitoring of the port-access ban is conducted via the Union Maritime Information and Exchange System, which links to EQUASIS and supports Member States with near real-time tracking and situational maritime awareness. The same FAQ notes that any attempt to circumvent sanctions through change of flag can be identified through the IMO number, which remains constant throughout a vessel's service life, together with onboard documentation such as the synopsis report tracking flag changes. This is analytically important because it shows that sanctions enforcement in the maritime sphere is not based only on legal designation lists. It also depends on technical tracking infrastructures, data integration, and the ability to follow vessel identity across changing external appearances. Maritime tracking thus converts transparency infrastructure into a coercive instrument. A vessel may attempt to reflag or restructure, but its continuity can still be reconstructed through persistent identifiers and shared surveillance systems. The hybrid effect lies in the combination of law, digital monitoring, shipping databases, and operator action³.

AIS manipulation is a particularly important element within this tracking environment. The current Council sanctions page identifies vessels suspected of illegally interfering with or disabling their shipborne automatic identification system when transporting Russian oil as subject to EU port-access restrictions. This criterion matters because AIS behaviour is not simply a navigational detail. In the sanctions' context, it becomes an evidentiary signal of concealment and route opacity. When AIS is disabled or irregularly used, regulators and market actors are more likely to infer elevated sanctions risk, hidden ship-to-ship transfers, cargo obfuscation, or deliberate evasion. The effect is not only enforcement-oriented. It is also commercial, because counterparties, insurers, and service providers read AIS anomalies as warning signs of unacceptable exposure. Hybrid pressure therefore emerges from a technical behaviour that bridges maritime safety, route visibility, and sanctions credibility. The vessel is penalised not solely because of its cargo, but because of how it behaves within the maritime information environment^{4,5}.

Ship-to-ship transfers and voyage irregularities belong to the same logic. The Council sanctions page explicitly includes vessels engaged in ship-to-ship transfers and suspected of breaching sanctions among those facing port access restrictions. The Price Cap Coalition compliance alert, meanwhile, identifies voyage irregularities as one of the main evasion methods that stakeholders should monitor. These practices are significant because they make routes harder to read and cargo histories harder to verify. They also allow sanctioned trade to be broken into segments that appear less suspicious when viewed separately than when viewed as a whole. Hybrid sanctions respond by treating the pattern itself as sanctions-relevant. Route anomalies, unexplained transshipments, and irregular voyage behaviour become part of the restrictive logic rather than only of retrospective investigation. This raises the pressure on operators who might previously have treated such behaviour as commercially inconvenient but not legally determinative. In the hybrid regime, irregularity itself becomes a pressure multiplier^{6,7}.

Documentation controls are equally central because maritime trade depends on attestations, bills of lading, origin claims, proof of insurance, and related documents that can either confirm or disguise price-cap compliance and cargo origin. The Price Cap Coalition compliance alert identifies falsified documentation and attestations as a key evasion method. The 2024 advisory similarly frames responsible documentation and best practices as part of preventing and disrupting sanctions evasion.

¹ European Commission. (2024, February 1). *Price Cap Coalition Oil Price Cap (OPC) Compliance and Enforcement Alert*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

³ European Commission. (2023, July 24). *Access to EU ports*.

⁴ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁵ European Commission. (2025). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁶ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁷ European Commission. (2024, February 1). *Price Cap Coalition Oil Price Cap (OPC) Compliance and Enforcement Alert*.

This means that documentary scrutiny is no longer just an administrative afterthought. It is a coercive mechanism in its right. A cargo that can only move through weak, inconsistent, or suspicious paperwork becomes harder to finance, insure, service, and receive. Here again, law works through the market rather than above it. Once documentation integrity becomes part of the sanctions' perimeter, every intermediary handling the shipment becomes a potential point of friction. Hybrid pressure is therefore reproduced through paperwork, verification, and evidentiary hygiene as much as through headline prohibitions^{1,2}.

Route disruption is the wider cumulative effect produced by all of these layers. A vessel may still travel, but its route becomes longer, more circuitous, more dependent on non-EU ports, less supported by trusted service providers, and more vulnerable to sudden interruption. This is why maritime sanctions often underperform when assessed only through binary metrics such as whether exports continue. The more important effect is usually the degradation of route quality and route resilience. A fleet that can move only through higher-risk corridors, less reputable flags, thinner insurance, and more opaque counterparties is operationally weaker even if it is not fully immobilised. The Commission's 17th-package statement explicitly notes that coordinated vessel listings and partner-country efforts are making it increasingly difficult to replace sanctioned vessels and that exporting oil has become more complex and costly for the Kremlin. That observation captures the essence of maritime hybrid pressure. The goal is not necessarily perfect closure. It is structured deterioration of transport capability^{3,4}.

The shadow fleet also functions as a safety and environmental pressure zone, and this matters analytically because non-sanctions regulatory logics amplify the sanctions effect. The 2024 Price Cap Coalition advisory states that recent developments in maritime oil trade expose stakeholders to increased safety and environmental risks, and that vessels in shadow trade may fabricate or neglect surveys and inspections and lack regulatory certificates required under international conventions. This creates a situation in which the same vessel may be unattractive for several reasons at once: sanctions risk, insurance risk, environmental liability risk, and safety risk. Hybrid pressure intensifies precisely when these logics converge. Market actors do not need to separate perfectly whether they are withdrawing for sanctions reasons or for maritime prudence. In practice, those reasons reinforce each other. This gives shadow-fleet measures a wider radius of effect than a narrowly legalistic reading would suggest. It also explains why maritime hybrid sanctions can remain effective even when some counterparties are willing to tolerate sanctions risk alone. They may still refuse because the broader operational profile of the vessel is unacceptable⁵.

Coalition coordination is another decisive multiplier. The Price Cap Coalition advisory is addressed jointly to government stakeholders and private-sector actors, and the Commission's 17th-package statement notes that vessels were identified together with Member States and the European Maritime Safety Agency. This is not a minor implementation detail. It shows that maritime sanctions depend on coordinated detection, shared intelligence, and common risk signalling. If one jurisdiction designates vessels but others continue to provide permissive services, routes remain more resilient. If shipping intelligence, risk flags, and service-denial practices are shared, the operational environment becomes much harder to navigate. Coalition coordination therefore turns scattered national measures into a denser maritime compliance zone. It also strengthens legitimacy, because the restrictive response appears less like unilateral opportunism and more like collective defence of an agreed sanctions

¹ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

² European Commission. (2024, February 1). *Price Cap Coalition Oil Price Cap (OPC) Compliance and Enforcement Alert*.

³ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁴ Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁵ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

perimeter. In the maritime field especially, coordination is not supplementary to effectiveness. It is one of its constitutive conditions^{1,2}.

The EU's maritime regime also illustrates how hybrid pressure moves from direct cargo restriction to broader infrastructure governance. The infrastructure transaction ban applies to listed ports and locks in Russia, and the EU has complemented targeted-vessel designations with broader restrictions affecting ports, locks, and related maritime infrastructures. This means that the object of pressure is not only the moving vessel, but also the fixed nodes through which maritime trade is organised. Once ports, locks, and servicing environments become sanctions-relevant, Russia's maritime adaptation problem becomes deeper and more structural. It can no longer be solved only by finding another ship. It increasingly requires rebuilding a whole ecosystem of access, servicing, documentation, and payments under more hostile conditions. Hybrid pressure is strongest when mobile and fixed infrastructure are targeted together. That is exactly the direction in which the EU maritime architecture has evolved^{3,4}.

From an effectiveness perspective, maritime hybrid pressure should therefore be judged less by absolute immobilisation and more by cumulative degradation. A sanctions regime that doubles, then redoubles, the number of targeted vessels; contaminates servicing channels; increases insurer caution; narrows port access; monitors AIS and flag history; and treats shadow routing as a multi-risk phenomenon is not merely signalling disapproval. It is systematically raising the cost of maritime adaptation. The effect is especially important in a long conflict, because repeated adjustments force Russia and its intermediaries into progressively more opaque, less scalable, and less resilient substitutes. This is consistent with the Council's current presentation of shadow-fleet measures as intended to dismantle operational capacity and reduce oil revenues supporting the war economy. It is also consistent with coalition guidance that focuses on best practices for private actors precisely because private decisions cumulatively shape the shipping environment. In other words, the maritime regime works because the route becomes a hostile system, not only because the law forbids one voyage^{5,6,7}.

For analytical clarity, the main maritime channels of hybrid pressure can be summarised as follows.

Table 6.2.2-1. Maritime channels of hybrid pressure in the EU sanctions regime against Russia

Channel	Immediate restrictive mechanism	Direct operational effect	Secondary hybrid effect	Strategic result
Port access	Ban on access to EU ports and locks for targeted vessels, Russian-flagged vessels, and certain high-risk vessels	Denial of physical entry to EU-controlled maritime nodes	Route contamination, loss of commercial flexibility, higher dependence on non-EU alternatives	Narrows the geography of feasible maritime trade
Vessel servicing	Ban on a broad range of maritime-transport related services	Reduced access to insurance, classification, maintenance, payments, and ancillary support	Degrades vessel usability and increases substitution costs	Weakens the operational capacity of the shadow fleet
Insurance and financial cover	Heightened sanctions, legal, reputational, and safety risk	Harder and costlier access to reliable cover	De-risking by market actors beyond the legal minimum	Raises voyage costs and reduces

¹ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

² European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

³ European Commission. (2025, March 20). *Infrastructure transaction ban*.

⁴ Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.

⁵ Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁶ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁷ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

Channel	Immediate restrictive mechanism	Direct operational effect	Secondary hybrid effect	Strategic result
	for insurers and service providers			legitimacy of shipping operations
Flagging and classification	Restrictions linked to Russian flagging, RMRS certification, and scrutiny of registration practices	Lower legal and technical credibility of vessels	Greater suspicion by ports, insurers, and counterparties	Undermines the legal-operational identity of the vessel
Ownership opacity	Scrutiny of complex or irregular corporate structures and ancillary costs	Higher compliance burden and more frequent red flags	Self-reinforcing withdrawal by commercial partners	Makes concealment a source of operational fragility
Tracking and AIS	Monitoring through maritime information systems; targeting of AIS manipulation	Better detection of concealed routing and flag changes	Technical irregularities become commercial risk signals	Increases visibility of evasion patterns
Route behaviour	Targeting of ship-to-ship transfers and voyage irregularities	Disruption of evasive logistics patterns	Higher uncertainty for all actors in the chain	Converts routing itself into a sanctions-sensitive variable
Safety and environmental exposure	Advisory focus on unsafe vessels, failed inspections, and environmental risk	Non-sanctions regulatory risk converges with sanctions risk	Multiple independent reasons to avoid shadow-fleet business	Expands pressure beyond strict legal prohibition
Coalition coordination	Joint EU–G7/coalition guidance and coordinated identification of vessels	More consistent screening and fewer permissive gaps	Shared signals amplify private-sector caution	Makes sanctions pressure denser across jurisdictions

Authorship: prepared by the author on the basis of official EU institutional materials, Commission guidance, and Price Cap Coalition maritime advisories

Sources:

- Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.
- European Commission. (2023, July 24). *Access to EU ports*.
- European Commission. (2024, February 1). *Price Cap Coalition Oil Price Cap (OPC) Compliance and Enforcement Alert*.
- European Commission. (2025, June 30). *Targeted vessels*.
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

The chronology of EU shadow-fleet targeting in 2025 also shows how quickly the maritime layer of the regime intensified.

Table 6.2.2-2. Expansion of EU shadow-fleet vessel targeting in 2025

Action / package	Date	Additional vessels targeted	Cumulative total after action	Maritime significance
16th package	24 February 2025	74	153	Added new listing criterion targeting support for unsafe oil-tanker operations
17th package	20 May 2025	189	342	Largest-ever package up to that point; port access ban and ban on provision of services expanded sharply
18th package	18 July 2025	105	444	Further shadow-fleet and value-chain pressure, combined with lower oil price cap

Action / package	Date	Additional vessels targeted	Cumulative total after action	Maritime significance
19th package	23 October 2025	Not specified in the summary cited	557	Further clamp-down on shadow fleet alongside broader energy, services, and anti-circumvention measures
Additional Council action	18 December 2025	41	c. 598 by arithmetic from cited totals; the Council's current sanctions page summarises this as "almost 600"	Continued pressure on non-EU tankers and shadow-fleet value-chain nodes

Authorship: prepared by the author on the basis of Council and Commission package statements

Sources:

- Council of the European Union. (2025, December 18). *Russia's war of aggression against Ukraine: Council sanctions 41 vessels of the Russian shadow fleet.*
- Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions.*
- European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia.*
- European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia.*
- European Commission. (2025, July 18). *EU adopts 18th package of sanctions against Russia.*
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia.*

These tables confirm that maritime pressure has evolved from a supporting function into a full-spectrum hybrid instrument. The EU has not relied on a single decisive maritime ban. Instead, it has built a cumulative system in which designations, services prohibitions, port-access controls, flag and certification scrutiny, document checks, ownership-risk indicators, and coalition advisories reinforce each other. That cumulative structure explains why the maritime regime cannot be understood adequately as a mere subsection of energy sanctions. It is an independent pressure environment, albeit one closely connected to oil revenue and trade continuity. The pressure works not only because ships are listed, but because listed ships become harder to operate within a trustworthy commercial and regulatory system. That is the essence of a hybrid pressure zone^{1,2,3}.

A final conclusion follows. Logistics, maritime routing, and the shadow fleet should be classified in this report as hybrid pressure zones because sanctions in this area operate through the structured interaction of shipping law, port control, vessel servicing, insurance, flagging, ownership transparency, maritime tracking, and coalition compliance practices. The coercive effect is not exhausted by any one legal prohibition. It emerges from the progressive degradation of route reliability, vessel credibility, service availability, and commercial trust. This makes maritime pressure especially well-suited to long-duration sanctions strategy, since it can raise costs and weaken adaptability even where complete physical closure remains unattainable. It also explains why the shadow fleet has become such a prominent focus of EU package design in 2025. The fleet is not merely a transport workaround. It is a multi-layered enabling infrastructure for revenue continuity, price-cap circumvention, and sanctions adaptation. Targeting it therefore strikes at one of the most important operational systems sustaining Russia's external economic resilience under sanctions^{4,5,6}.

¹ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions.*

² European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia.*

³ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors.*

⁴ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions.*

⁵ Council of the European Union. (2025, December 18). *Russia's war of aggression against Ukraine: Council sanctions 41 vessels of the Russian shadow fleet.*

⁶ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors.*

6.2.3. Technology–Service Ecosystem Controls and Dual-Use Support Restrictions

Technology–service ecosystem controls should be treated as one of the clearest hybrid instrument families in the EU sanctions regime because they do not act only by blocking the export of a physical item. Their deeper function is to interrupt the combination of software, technical assistance, maintenance, spare parts, engineering support, data environments, and compliance-mediated service access through which industrial capability is designed, operated, repaired, upgraded, and reproduced. In the Russia case, this matters especially because access to advanced technology is rarely reducible to a single shipment. What sustains capability over time is an ecosystem: design tools, enterprise management systems, technical testing, updates, servicing, components, integration know-how, and the legal-commercial relations that permit all of these to continue. Once sanctions act against that ecosystem rather than only against one goods flow, they become distinctly hybrid. The pressure then operates through simultaneous restrictions on technology transfer, on the services needed to use technology, and on the information, systems required to organise production and maintenance. The result is not merely lower import availability. It is degradation of industrial continuity itself. That is why the technology–service field belongs centrally in Part Six rather than only in the economic or legal sections^{1,2}.

The starting point is the dual-use and advanced-technology export-control layer. The current Council sanctions page states that the EU has imposed export restrictions on dual-use and advanced technology items for hundreds of entities, including many located outside Russia and directly supporting Russia's war. The Commission's export-related restrictions FAQ explains that the Commission services, in coordination with international partners, identified a number of dual-use goods and advanced technology items whose export to Russia is prohibited and which were found in Russian military systems on the battlefield in Ukraine or are critical to the development, production, or use of those systems. These include integrated circuits, radio-frequency transceiver modules, and items essential for manufacturing and testing electronic components recovered from the battlefield. This is important because it shows that the EU is not operating only from abstract technology-policy assumptions. The sanctions architecture has become increasingly forensic and battlefield-informed. Export restrictions therefore target not just high technology in the generic sense, but the specific technology stack that feeds Russia's war-relevant industrial and weapons systems. That empirical grounding strengthens both the precision and the strategic rationale of the regime^{3,4}.

The Common High Priority (CHP) items regime is particularly revealing because it translates export control into an ecosystem logic. The Commission explains that CHP items are prohibited dual-use goods and advanced technology items used in Russian military systems found on the battlefield in Ukraine or critical to the development, production, or use of those systems, and that they include integrated circuits, radio-frequency transceiver modules, items for manufacturing and testing printed-circuit-board electronics, and items used in manufacturing high-precision complex metal components. The same materials state that the CHP list is intended to support due diligence and targeted anti-circumvention actions by customs and enforcement agencies of partner countries. This is highly significant. It means that the EU is not treating dual-use control as a simple customs boundary. It is transforming a list of battlefield-relevant technologies into a governance tool that shapes exporter diligence, partner-country screening, and risk awareness across the supply chain. The technology control thus becomes hybrid because it operates through law, industry due diligence, customs

¹ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

² European Commission. (2024, February 6). *Frequently asked questions on restrictions on software concerning sanctions adopted following Russia's military aggression against Ukraine*.

³ European Commission. (2025). *Export-related restrictions — Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

intelligence, and third-country cooperation simultaneously. It does not simply stop at “no export”. It creates a wider regime of suspicion and control around the relevant technological ecosystem^{1,2}.

The structure of the CHP list further underlines this point. The Commission’s export-related FAQ states that the list is divided into four tiers containing a total of 50 HS codes and includes items involved in Russian weapons systems such as the Kalibr cruise missile, the Kh-101 cruise missile, the Orlan-10 UAV, and the Ka-52 helicopter. The list includes microelectronics, wireless-communications-related electronics, discrete electronic components, connectors, navigation equipment, digital cameras, bearings, and optical components. This breadth matters because it shows that the sanctions target not only dramatic high-end platforms, but also the mid-level and component-level goods without which design, testing, assembly, and repair cannot reliably continue. Hybrid pressure in this area therefore works through cumulative incompleteness. A military-industrial or industrial system need not lose access to every single input to become materially degraded. It is enough that critical nodes within its technological stack become scarcer, harder to source, or harder to integrate. The logic is one of capability erosion through technological disarticulation³.

Yet export controls alone do not explain why this field is hybrid. The next layer is the service and software environment that allows technology to be used productively after acquisition. The Council’s sanctions timeline states that the 12th package introduced a ban on the provision of software services for enterprise management and industrial design. The Commission’s software FAQ explains that Article 5n(2b) covers software for the management of enterprises and software for design and manufacture, and that the prohibition aims to further hamper Russia’s capacities in its industrial sector. This is a decisive step beyond ordinary goods controls. By restricting not only hardware and dual-use items but also enterprise-management and industrial-design software, the EU shifted from controlling inputs to controlling coordination and production architecture. This is particularly significant because modern industrial resilience depends as much on digital organisation as on material inventory. A factory or engineering network without stable access to planning, lifecycle, maintenance, and design software is not merely inconvenienced. Its continuity is structurally impaired^{4,5}.

The specific categories of software covered make this even clearer. The Commission’s FAQ lists enterprise-resource planning (ERP), customer-relationship management (CRM), business intelligence (BI), supply-chain management (SCM), enterprise data warehouse (EDW), computerised maintenance management systems (CMMS), project-management software, and product-lifecycle management (PLM), as well as accounting, fleet-management, logistics, and human-resources software, within the prohibited enterprise-management category. It further lists building information modelling (BIM), computer-aided design (CAD), computer-aided manufacturing (CAM), and engineer-to-order (ETO) software in the design and manufacturing category. These are not niche or peripheral tools. They are the digital backbone through which firms plan production, coordinate suppliers, manage inventories, schedule maintenance, design products, and integrate engineering changes. The sanction effect is therefore broader than denial of software licences as such. The deeper effect is fragmentation of the information environment required for industrial continuity. Where ERP, SCM, CMMS, CAD, CAM, and PLM become inaccessible, the sanctioned system loses not only functionality but also coherence across departments and stages of production. This is precisely what makes the instrument hybrid: it targets data architecture, management processes, and manufacturing continuity together⁶.

Software updates and upgrades are equally important in this regard. The same Commission FAQ states that the prohibition on enterprise-management and design/manufacture software covers software

¹ European Commission. (2025). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

² European Commission. (2024). *List of common high priority items*.

³ European Commission. (2025). *Export-related restrictions — Frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

⁴ Council of the European Union. (2025). *Timeline — Packages of sanctions against Russia since February 2022*.

⁵ European Commission. (2024, February 6). *Frequently asked questions on restrictions on software concerning sanctions adopted following Russia’s military aggression against Ukraine*.

⁶ Ibid.

updates, and that assistance or advice relating to software updates and upgrades, as well as bespoke software updates and upgrades, were already subject to the prohibition on IT consultancy services. This detail is crucial because the sanction is not confined to initial software acquisition. It also affects the time dimension of industrial maintenance and digital continuity. A sanctioned enterprise might retain legacy software in the short run, but if it cannot obtain updates, upgrades, or related advisory support, the system gradually loses security, compatibility, efficiency, and manufacturer-supported usability. In modern production environments, the denial of updates is a form of delayed disruption. It does not always halt activity immediately, but it erodes reliability over time and complicates integration with surrounding systems. Hybrid pressure thus operates not just through possession but through lifecycle interruption^{1,2}.

The services layer is broader still. The Commission's services FAQ, updated on 22 January 2026, confirms that a wide range of business-relevant services may not be provided to the Government of Russia or to entities established in Russia, and that EU entities, including subsidiaries of Russian companies established in the EU, are bound by EU sanctions and cannot provide the listed services or software to their Russian parents. It also clarifies that services to non-Russian entities may become prohibited where those services are actually intended for the benefit of a Russian parent or other entity established in Russia. This matters because technology continuity in a modern industrial system rarely depends on software alone. It depends on advisory support, troubleshooting, implementation, integration, maintenance planning, and problem-solving interactions that often take the form of services rather than tangible goods. The technology-service ecosystem is therefore constrained not only by export bans but by the prohibition on the expert relationships that sustain usability. Hybrid pressure here works by disconnecting technology from the service environment necessary to make it productive³.

Technical assistance is one of the strongest expressions of this logic. The consolidated Decision text available via EUR-Lex states that it is prohibited to provide technical assistance, brokering services, or other services related to dual-use goods and technology and to the provision, manufacture, maintenance, and use of those goods and technology to persons or entities in Russia or for use in Russia. This language is analytically fundamental because it makes clear that the EU is not satisfied with restricting the goods themselves. It also restricts support related to their manufacture, maintenance, and use. In other words, the sanctions attack the knowledge and operational interface that turns a good into sustained capability. This is the essence of a hybrid technology-service restriction. The ban reaches into the full lifecycle of controlled technology: acquisition, deployment, operation, maintenance, and repair. It thereby constrains not just access, but continuity⁴.

Aviation and space restrictions illustrate this lifecycle approach with particular clarity. The Council's explanatory sanctions page states that the EU banned the export to Russia of goods and technology from the aviation and space industries and that this means Russian airlines cannot buy aircraft, spare parts, or equipment for their fleet and cannot perform the necessary repairs or technical inspections. The same page adds that insurance services, maintenance services, and technical assistance related to these goods and technology are also prohibited. This is a compact but powerful statement of the ecosystem logic. Aircraft continuity depends on spare parts, inspections, maintenance, and associated services no less than on the initial airframe or component. When all these layers are restricted together, the effect is far greater than a simple goods embargo. The sanctions strike at the practical ability to keep complex systems airworthy and compliant over time. That is a paradigmatic hybrid pressure mechanism⁵.

The same reasoning applies beyond aviation. Industrial continuity in capital-intensive sectors depends on a repeated cycle of spare parts, calibration, maintenance, testing, technical advice, and system-

¹ European Commission. (2024, February 6). *Frequently asked questions on restrictions on software concerning sanctions adopted following Russia's military aggression against Ukraine*.

² European Commission. (2026, January 22). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine*.

³ Ibid.

⁴ Council Decision 2014/512/CFSP (consolidated version of 24 October 2025).

⁵ Council of the European Union. (2025). *EU sanctions against Russia: Questions and answers*.

specific know-how. Even where a sanctioned entity retains legacy machinery or previously acquired software, the inability to obtain replacement parts, vendor updates, or qualified technical assistance can progressively make the installed base less reliable and less productive. In such cases, the sanction effect is often delayed but cumulative. Output may continue in the short term, yet downtime increases, repair intervals lengthen, maintenance becomes improvised, and compatibility with newer processes declines. This is especially important in dual-use and advanced-technology sectors, where production tolerances are tighter and substitution is more difficult. Hybrid sanctions exploit exactly this vulnerability. By restricting support functions around the core technology, they turn continuity into a progressively more fragile achievement. This is one reason why the technology–service ecosystem is more analytically revealing than a simple inventory-based view of sanctions^{1,2}.

Spare-parts dependency is therefore more than a procurement issue. In a hybrid framework, it is a structural dependency through which sanctions convert technology denial into system degradation. Many high-value industrial and defence-relevant systems can continue operating only if critical components are replaced predictably and if maintenance schedules are supported by reliable technical data. Where spare parts are scarce, operators may resort to cannibalisation, lower-quality substitutes, or extended use beyond recommended service intervals. That may preserve minimal functionality for a time, but it generally reduces safety margins, efficiency, and long-run durability. The sanctions architecture exploits this by preventing the full technology stack from reproducing itself normally. This pressure is especially strong when combined with bans on software updates, servicing, inspections, and technical assistance. Under those conditions, spare-parts dependency ceases to be just a supply-chain problem and becomes a continuity constraint built into the whole industrial environment^{3,4}.

The anti-circumvention side of the ecosystem is also essential. Regulation 2024/1745 and the Commission’s CHP due-diligence FAQ require operators dealing in CHP items to implement due diligence mechanisms capable of identifying and assessing risks of exportation to Russia and mitigating those risks. The FAQ also states that these obligations apply not only to persons and entities directly trading such items, but also to persons or entities that own or control legal persons established outside the Union which sell, supply, transfer, or export CHP items or goods listed in Annex XLVIII. This is a major extension of the technology-control architecture. It means that the EU is not only restricting direct exports, but is also requiring firms to manage the risk that their controlled non-EU structures may become conduits for Russian access. The technology–service ecosystem thus becomes governed across corporate groups and across jurisdictions. This is a highly hybrid form of restriction because it links export controls, ownership nexus, due diligence, and third-country governance into one operating system^{5,6}.

The same amendment goes further by addressing intangible capability transfer. Regulation 2024/1745 states that operators must contractually prohibit commercial counterparts in third countries from using, or allowing the use of, transferred intellectual property rights, trade secrets, or protected information in connection with CHP items that are intended for export to Russia or for use in Russia. This is one of the clearest examples of hybridisation in the entire sanctions regime. The EU is no longer restricting only objects or direct services; it is also regulating the informational and legal means through which technological capability could be reproduced abroad and then channelled to Russia. In effect, the sanctions regime extends into industrial know-how governance. This is especially relevant for manufacturing continuity, because advanced industrial capability often depends as much on design files, process information, protected know-how, and proprietary methods as on the shipment of

¹ Council of the European Union. (2025). *EU sanctions against Russia: Questions and answers*.

² Council Decision 2014/512/CFSP (consolidated version of 24 October 2025).

³ Council of the European Union. (2025). *EU sanctions against Russia: Questions and answers*.

⁴ European Commission. (2024, February 6). *Frequently asked questions on restrictions on software concerning sanctions adopted following Russia’s military aggression against Ukraine*.

⁵ Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.

⁶ European Commission. (2025). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

hardware. By targeting those intangibles, the EU aims to prevent third-country technology-service ecosystems from becoming shadow extension platforms for Russia^{1,2}.

This is also where data and service fragmentation become analytically important. The software restrictions cover ERP, SCM, EDW, CMMS, PLM, CAD, CAM, and other systems that allow firms to integrate planning, maintenance, design, manufacturing, and logistics. When access to these systems is interrupted, the effect is not simply the absence of one digital tool. The likely consequence is fragmentation across functions that previously relied on shared platforms, shared data models, or coordinated update cycles. This does not automatically mean total shutdown, and the evidence available publicly does not support a claim of universal collapse. However, it does support the inference that industrial continuity becomes harder to sustain where the sanctioned entity loses access to integrated software and related services. Workarounds may exist, including local substitutes, legacy systems, or segmented replacements, yet these are typically less efficient, less interoperable, or more difficult to support. The sanction effect here is therefore best understood as disintegration pressure on the organisational fabric of industrial activity. That is a distinctly hybrid mechanism because it acts through information architecture rather than only through goods denial^{3,4}.

The supply-chain dimension reinforces this interpretation. A joint 2024 guidance note hosted by the Commission explains that Russian proliferators operate as transshipment agents and divert dual-use technologies and controlled goods from third countries to Russia, and that all parts of the supply chain—including exporters, re-exporters, manufacturers, distributors, resellers, financial institutions, logistics companies, transportation providers, freight forwarders, warehouse operators, and customs brokers—should be aware of diversion risks and adopt appropriate mitigation measures. This broad supply-chain framing is highly revealing. It shows that the EU and partners do not view technology leakage as a matter for exporters alone. The entire supporting ecosystem, including service providers and logistics actors, is treated as relevant to the preservation or breakdown of sanctions integrity. That is exactly the logic of a hybrid instrument. The controlled good is only one node. What matters is whether the broader ecosystem continues to function as a diversion-capable pathway^{5,6}.

The interaction with third-country entities and controlled subsidiaries is especially important in this context. Regulation 2024/1745 notes that where Regulation 833/2014 requires Union operators to ensure that legal persons, entities, and bodies established outside the Union that they own or control conduct certain actions to prevent exportation or re-exportation of goods or technology to Russia, such requirements should be pursued to the extent permitted by the legislation of the third country where the entity is established. This clause reveals both the ambition and the limit of the EU model. The ambition is to prevent the externalisation of technology and service provision through corporate groups and foreign affiliates. The limit is that the EU still proceeds through ownership nexus and corporate obligation rather than through an unrestricted claim to regulate all third-country conduct directly. This makes the measure both hybrid and legally disciplined. It operates through the governance of connected entities rather than through a universal embargo on all possible channels⁷.

The result is a set of industrial continuity constraints that are broader than traditional export controls. A factory, repair base, or engineering operation does not need to be denied every component to experience deterioration. It may be enough that it loses stable access to key battlefield-relevant goods, to upstream

¹ Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.

² European Commission. (2025). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

³ European Commission. (2024, February 6). *Frequently asked questions on restrictions on software concerning sanctions adopted following Russia's military aggression against Ukraine*.

⁴ European Commission. (2026, January 22). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine*.

⁵ European Commission. (2024, September 30). *Preventing Russian export control and sanctions evasion*.

⁶ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁷ Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.

design/manufacturing software, to maintenance and technical assistance, to spare parts and inspection capacity, and to the integrated data environment required for coordination. Sanctions in this area therefore work through layered incompleteness. Each missing layer raises the burden on the others and weakens the ability of the system to absorb shocks. This is one reason why technology–service ecosystem controls can be more durable than attempts at absolute closure. They force the target to manage permanent degradation rather than only one-time interruption^{1,2,3}.

For analytical clarity, the main channels of technology–service ecosystem pressure can be summarised as follows.

Table 6.2.3-1. Technology–service ecosystem controls and dual-use support restrictions in the EU sanctions regime against Russia

Channel	Immediate restrictive mechanism	Direct operational effect	Secondary hybrid effect	Strategic consequence
Dual-use and advanced-technology export controls	Prohibition on export of battlefield-relevant and dual-use items	Loss or narrowing of access to critical components and technologies	Forces sourcing through riskier, costlier, or lower-quality substitutes	Degrades technological renewal and weapons/industrial capability
CHP items regime	Battlefield-informed list plus due-diligence and anti-circumvention architecture	Enhanced scrutiny of sensitive electronics and related inputs	Export control becomes a multi-actor governance system involving exporters, customs, and partner countries	Compresses the most war-relevant technology channels
Enterprise-management software bans	Restrictions on ERP, CRM, BI, SCM, EDW, CMMS, PLM and related suites	Reduced access to integrated planning, maintenance, logistics, and lifecycle software	Data and process fragmentation across firms and production systems	Weakens organisational coherence and industrial management capacity
Design/manufacturing software bans	Restrictions on BIM, CAD, CAM, ETO and related suites	Reduced access to design, modelling, and manufacturing software	Slows design iteration, engineering changes, and industrial integration	Constrains production modernisation and technical adaptation
Updates and upgrade support bans	Prohibition extends to software updates; related advice already restricted through IT consultancy ban	Legacy systems become harder to secure, support, and integrate over time	Lifecycle disruption without immediate total shutdown	Creates delayed but cumulative technological degradation
Technical assistance and related services restrictions	Bans on technical assistance, brokering, and services related to manufacture, maintenance, and use	Loss of vendor/adviser support for operation, repair, and deployment	Technology becomes less usable even where still physically available	Converts goods denial into capability denial
Spare parts, maintenance, and inspection restrictions	Sectoral bans such as those affecting aviation/space goods and related maintenance services	Harder replacement, repair, inspection, and certification	Encourages cannibalisation, improvised repair, and lower reliability	Erodes safe and sustainable operation of complex systems
IP/trade-secret anti-circumvention controls	Contractual prohibition on use of IP rights or trade secrets in connection with CHP items for Russia	Harder reproduction of capability via intangible know-how transfer	Extends sanctions from hardware into industrial knowledge systems	Limits third-country shadow replication of sensitive capability

¹ Council Decision 2014/512/CFSP (consolidated version of 24 October 2025).

² Council of the European Union. (2025). *EU sanctions against Russia: Questions and answers*.

³ European Commission. (2025). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

Channel	Immediate restrictive mechanism	Direct operational effect	Secondary hybrid effect	Strategic consequence
Corporate-group due diligence	Obligations extend to controlled entities outside the EU trading CHP items	Wider compliance perimeter across group structures	Restricts use of subsidiaries as rerouting channels	Narrows indirect access through third-country corporate networks
Supply-chain risk governance	Diversification-risk guidance for exporters, service providers, logistics actors, and customs brokers	More actors screen for misuse and transshipment	Private governance and public control reinforce one another	Makes ecosystem-wide leakage harder to organise at scale

Authorship: prepared by the author on the basis of official EU institutional materials, Commission guidance, and EUR-Lex legal texts

Sources:

- Council of the European Union. (2025). *EU sanctions against Russia: Questions and answers*.
- Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.
- Council of the European Union. (2025). *Timeline - Packages of sanctions against Russia since February 2022*.
- Council Decision 2014/512/CFSP (consolidated version of 24 October 2025).
- Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.
- European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.
- European Commission. (2024). *List of common high priority items*.
- European Commission. (2024, February 6). *Frequently asked questions on restrictions on software concerning sanctions adopted following Russia's military aggression against Ukraine*.
- European Commission. (2024, September 30). *Preventing Russian export control and sanctions evasion*.
- European Commission. (2025). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.
- European Commission. (2025). *Export-related restrictions — Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2026, January 22). *Frequently asked questions on provision of services concerning sanctions adopted following Russia's military aggression against Ukraine*.

The table shows that the EU's technology regime is no longer best described as a set of export prohibitions narrowly understood. It has evolved into a layered system in which goods controls, software restrictions, service bans, update denial, maintenance disruption, corporate-group obligations, and know-how controls interact to constrain industrial continuity. This is why the category of "technology-service ecosystem controls" is analytically more accurate than a simple label such as "high-tech export controls". The relevant object of restriction is not just the item crossing the border, but the ecosystem that allows the item to be designed, integrated, repaired, managed, and scaled in production. In the Russia case, this is especially significant because wartime adaptation depends heavily on substitution through third countries, repurposing of civilian technologies, and the continued functioning of fragmented but resilient procurement networks. The EU's response has therefore moved closer to the full lifecycle of capability rather than remaining at the level of customs prohibition alone. That evolution is one of the clearest expressions of hybrid sanctions design in the whole regime^{1,2,3}.

A final conclusion follows. Technology-service ecosystem controls and dual-use support restrictions should be understood in this report as hybrid instruments because their coercive effect is generated through the interaction of export law, software and service denial, technical-assistance bans, spare-parts dependency, lifecycle disruption, data fragmentation, and anti-circumvention governance across

¹ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

² European Commission. (2025). *Export-related restrictions — Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ European Commission. (2025). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

third countries and corporate groups. Their strategic value lies in the fact that they do not require perfect closure to matter. It is enough that Russian industrial and military-relevant systems are forced to operate with thinner technological integration, weaker servicing environments, more fragile maintenance cycles, and a more difficult path to reproduction of capability. In that sense, these sanctions are not merely restrictive at the border. They are degrading in the interior of the production system. That makes them highly significant for long-war pressure, because they target not only current procurement but also the institutional and technical continuity on which future adaptation depends^{1,2,3}.

6.2.4. Network-Based Listings and Restrictions on Facilitation Infrastructures

Network-based listings and restrictions on facilitation infrastructures represent one of the clearest expressions of hybrid sanctions design because they are aimed not only at a primary violator, but at the mixed public–private ecology that enables sanctioned activity to continue under adaptive conditions. In the EU–Russia case, this ecology includes brokers, shipping managers, financial conduits, crypto-service nodes, front-type corporate vehicles, logistics operators, para-state institutions, and entities acting on behalf of or at the direction of sanctioned actors. The strategic logic is straightforward: once direct sectoral restrictions begin to bite, the sanctioned system increasingly depends on networks of facilitation rather than on overt, one-step transactions. If restrictive policy continues to target only the primary state body or only the formal front-end company, the adaptive system survives through intermediaries. The EU has responded by progressively building a regime that isolates not just originators of restricted activity, but also the enabling nodes that move funds, mask ownership, maintain routing, manage payment substitutes, or provide institutional cover. This makes listings more relational and more infrastructural. It also makes them more hybrid, because the effect is generated through the interaction of asset freezes, transaction bans, service restrictions, compliance red flags, ownership criteria, and third-country exposure. In this field, the target is the support network itself^{4,5}.

This shift from actor-based to network-based sanctioning can be seen in the legal architecture itself. The consolidated text of Council Decision 2014/512/CFSP repeatedly extends prohibitions not only to listed Russian entities, but also to legal persons or bodies established outside the Union that are owned for more than 50% by such entities, and to legal persons or bodies acting on behalf of or at the direction of them. These formulations appear in relation to major credit institutions, publicly controlled entities, and other sanctioned categories. This is analytically important because it codifies the idea that functional proxies and controlled intermediaries can be as relevant as the nominal primary actor. The law is therefore not confined to naming one institution and leaving the rest to inference. It embeds network logic directly into the operative scope of prohibitions. This makes it possible to reach mixed corporate structures, intermediary companies, and directional proxies without having to redescribe each one as a direct state organ. In practical terms, this is one of the core legal devices through which hybrid sanctions are able to map onto the reality of modern evasion and facilitation networks⁶.

The same direction is visible in the asset-freeze regime. The consolidated text of Regulation (EU) No 269/2014, as reflected in the available EUR-Lex snippet, states that natural and legal persons subject to an asset freeze shall undertake their best efforts to ensure that any legal person, entity, or body that they own or control does not participate in activities that undermine the restrictive measures. Even though that wording belongs to a different legal instrument family than the sectoral prohibitions in Regulation 833/2014 and Decision 2014/512/CFSP, it reinforces the same operational logic. The sanctions regime is no longer concerned only with the listed person in isolation. It is concerned with the conduct of the

¹ Council Decision 2014/512/CFSP (consolidated version of 24 October 2025).

² European Commission. (2024, February 6). *Frequently asked questions on restrictions on software concerning sanctions adopted following Russia's military aggression against Ukraine*.

³ European Commission. (2025). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁴ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁵ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁶ Council Decision 2014/512/CFSP (consolidated version of 24 December 2025).

wider controlled network around that person. This is crucial for understanding why listings in Part 6.2.4 must be analysed as network-based. The coercive intention is not exhausted by freezing one account or banning one transaction. It is to prevent listed actors from maintaining operational relevance through controlled off-balance vehicles, affiliates, or direction-based structures^{1,2}.

The 16th package made this network turn especially visible. The Commission stated that the package imposed targeted export restrictions on 53 new companies supporting Russia's military-industrial complex or engaged in sanctions circumvention, including 34 companies in countries other than Russia. It also added 83 listings, including 48 individuals and 35 entities, specifically mentioning actors supporting the Russian military complex, active in sanctions circumvention, Russian crypto-asset exchanges, and the maritime sector. In addition, the 16th package introduced another new criterion for listing individuals and entities that are part of Russia's military and industrial complex, support it, or benefit from it. This language is revealing. The targets are not only producers of weapons or state ministries in a narrow sense. They include those who support or benefit from the wider industrial complex, which is a relational rather than purely sectoral category. The regime therefore begins to map chains of support rather than just front-end production³.

The same package also moved decisively against financial and crypto facilitation nodes. According to the Commission, the 16th package added 13 financial institutions to the list of entities subject to the prohibition on specialised financial messaging services, added 3 banks to the transaction ban because of their use of the Russian SPFS system to circumvent EU sanctions, and extended the transaction ban to enable the EU to list financial institutions and crypto-asset providers that participate in the circumvention of the Oil Price Cap and facilitate transactions with listed vessels of the shadow fleet. This is a highly developed example of network-based sanctioning. The target is not simply a Russian bank performing a direct prohibited act. The target is the enabling financial circuitry that keeps sanctioned shipping, oil revenue, and substitute payment ecosystems functioning. The inclusion of crypto-asset providers in this logic is especially significant because it shows that the EU no longer treats digital financial nodes as peripheral. They are now explicitly recognised as potential sanctions-enabling intermediaries in the maritime-energy-finance nexus⁴.

The 17th package deepened this approach. The Commission stated that it added 31 new companies to the list of those providing direct or indirect support to Russia's military-industrial complex or engaged in sanctions circumvention, including 18 companies established in Russia and 13 established in third countries, specifically in Turkey, Vietnam, the UAE, Serbia, and Uzbekistan. The same package also used new criteria related to shadow-fleet enablers and the military industry, both adopted in the 16th package, and listed a Russian shipping company, Joint Stock Company Volga Shipping, as an important revenue-generating actor. This package is a particularly useful example because it shows how network-based listings merge several functions at once: anti-circumvention, third-country facilitation control, shadow-fleet disruption, and revenue-denial. It is not just a matter of "more listings". It is a matter of selecting actors because of the role they play in a wider support network⁵.

By December 2025, this logic was applied even more explicitly to shadow-fleet enablers. The Council announced sanctions on five individuals and four entities responsible for supporting Russia's shadow fleet and its value chain. The listed individuals were described as businessmen linked directly or indirectly to major Russian state-owned oil companies Rosneft and Lukoil, while the listed entities were shipping companies based in the United Arab Emirates, Vietnam, and Russia that owned or managed tankers already subject to restrictive measures. This is almost a paradigmatic illustration of a mixed public-private support network. State-owned oil interests, privately organised shipping services, foreign-based companies, and value-chain facilitation are targeted together because their combined

¹ Regulation (EU) No 269/2014 (consolidated version of 16 September 2025).

² Council Decision 2014/512/CFSP (consolidated version of 24 December 2025).

³ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

⁴ Ibid.

⁵ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

function sustains Russian revenue generation. The listings are therefore not primarily symbolic. They are directed at the operational chain that allows crude oil and petroleum products to continue moving under opaque and high-risk conditions¹.

This is why network-based listings are analytically different from ordinary individual designations. A traditional listing may isolate a politically important person, a military supplier, or a state body. A network-based listing attempts to degrade the continuity of a support system by isolating the brokers, ownership links, shipping managers, finance channels, or service entities through which restricted activity is organised. In such a system, some actors are clearly public, some clearly private, and many are mixed or para-state. The Russian war economy relies heavily on this mixed zone, where state-owned or state-linked actors interact with private intermediaries, foreign corporate vehicles, insurers, traders, and logistics firms. The EU's listing practice in 2025 increasingly reflects that reality. It is no longer sufficient to treat the "state" and the "market" as separate sanctioning terrains. The relevant target is the interface between them^{2,3}.

State-owned and para-state infrastructures illustrate this especially well. The Commission's FAQ on Article 5aa explains that the provision prohibits the conclusion of new contracts with listed Russian state-owned enterprises, the execution of existing ones after the relevant cut-off, or the provision of any sort of economically valuable benefit to such entities. The same FAQ gives the Russian Maritime Register of Shipping as an example of an entity subject to the transaction ban and explains that the measure prohibits carrying out transactions, including economically valuable benefits, to that registry. It also discusses Sovcomflot, which became subject to an asset freeze under Regulation 269/2014 while remaining embedded in the wider Article 5aa logic. This shows that para-state institutions such as registers, registries, and state-owned shipping or energy companies are not treated only as formal public bodies. They are treated as infrastructural support nodes within wider public-private networks⁴.

The network logic is even more visible in the financial sphere. Transaction bans under the sanctions' regime do not stop at directly listed Russian banks. The consolidated Decision extends prohibitions to entities established outside the Union whose proprietary rights are owned more than 50% by certain listed Russian institutions, and to any legal person, entity, or body acting on behalf of or at the direction of them. This makes sense from an operational perspective, because modern sanctions evasion rarely relies on direct use of a named sanctioned bank once that route has been closed. It relies on substitute banks, controlled affiliates, off-network processors, and direction-based proxies. The EU's legal design therefore allows it to isolate not only the core node but also the finance-adjacent network around it. This is one of the reasons why transaction bans in 6.2.4 should be understood as restrictions on facilitation infrastructures rather than only on single institutions⁵.

The 19th package added a particularly strong set of illustrations in this area. The Commission stated that the package targeted key sectors including energy, finance, the military-industrial base, special economic zones, as well as enablers and profiteers of the war of aggression. It also announced measures against important third-country operators enabling Russia's revenue streams, specifically sanctioning Chinese entities—two refineries and an oil trader—that are significant buyers of Russian crude oil. In addition, the anti-circumvention section of the same statement reports that the package added 45 entities to the list of those providing direct or indirect support to Russia's military-industrial complex or engaged in sanctions circumvention, including 17 entities established in third countries, notably in China, India, and Thailand. This is an unmistakable move toward network-based and

¹ Council of the European Union. (2025, December 15). *Russia's war of aggression against Ukraine: Council sanctions 9 shadow fleet enablers*.

² Ibid.

³ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

⁴ European Commission. (2025, November 21). *State-owned enterprises*.

⁵ Council Decision 2014/512/CFSP (consolidated version of 24 December 2025).

geography-sensitive sanctioning. The targets are chosen not only because of nationality or formal status, but because of their function in revenue extraction, military support, and circumvention¹.

Crypto-service nodes represent one of the most notable innovations of the 19th package. The Commission states that the EU imposed full-fledged sanctions on the developer of the widely used rouble-backed stablecoin A7A5, on the Kyrgyz issuer of that coin, and on a related major trading platform; that it prohibited the use of that cryptocurrency; and that it directly targeted a cryptocurrency exchange in Paraguay that had played a key role in circumventing existing restrictions. It further described this as a significant evolution in the EU's sanctions regime and added that EU operators are banned from providing crypto services and certain fintech services that enable Russia to develop its own financial infrastructure and possibly circumvent sanctions. This is a textbook hybrid instrument family. Stablecoins, issuers, exchanges, and fintech support are neither simply "banks" nor merely "technology firms." They are facilitation nodes that allow money movement, asset storage, and transaction continuity in sanction-sensitive environments. By targeting them directly, the EU extends sanctions pressure into a domain where public regulation and private digital infrastructure are tightly intertwined².

The same package also demonstrates the increasing centrality of third-country financial conduits. The Commission states that the 19th package introduced transaction bans on five third-country banks in Central Asia that support Russia's war economy and frustrate the effectiveness of EU sanctions. It also states that new bans were imposed on Russia's Mir payment card and SBP fast payment system, and that four new financial institutions in Belarus and Kazakhstan using the Russian SPFS system were listed. This is important because it shows how the EU now maps payment substitution not just as a Russian domestic issue, but as a cross-border infrastructure problem. Payment cards, fast-payment systems, messaging substitutes, and third-country banks are all treated as sanctions-relevant enablers when they help Russia preserve financial continuity. The object of pressure is therefore not one payment transaction but the substitute ecosystem that could normalise such transactions at scale^{3,4}.

Special economic zones (SEZs) are another form of facilitation infrastructure that became much more visible in late 2025. The 19th package states that such zones are designed to attract foreign investment and play a critical role in economic growth and infrastructure development, and that the package proposes a prohibition on entering into new contracts with entities established within certain Russian SEZs. It also states that two zones—Alabuga and Technopolis Moscow—are subject to a ban that also applies to existing contracts, essentially forcing divestment. The consolidated Decision text is even more explicit. It prohibits new and, for certain zones, continuing participations, joint ventures, branches, representative offices, and supply contracts for goods, services, intellectual property rights, or trade secrets, and it extends the prohibitions to legal persons outside the zones that are owned or controlled by entities located within them. This is a powerful example of infrastructure-focused sanctioning. The target is not merely a company, but a state-backed industrial ecosystem designed to organise capital, services, technology, and production in support of the war effort^{5,6}.

Third-country infrastructure nodes are also increasingly within scope. The 19th package states that the extension of the port infrastructure ban will enable the EU to list ports in third countries that are instrumental to the Russian war effort. The consolidated Decision text likewise refers to transaction bans with ports and locks in third countries used for the transfer of UAVs or missiles and related technology or components in support of Russia's war. This is a striking development because it makes clear that the EU is willing to treat logistics infrastructures outside Russia as sanctions-relevant facilitation nodes where their function is sufficiently war-linked. The measure is not aimed at a third country in the abstract. It is aimed at infrastructure whose operational role makes it part of the support network. This is precisely

¹ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

² Ibid.

³ Ibid.

⁴ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

⁵ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁶ Council Decision 2014/512/CFSP (consolidated version of 24 December 2025).

the logic of hybrid sanctions: infrastructure is targeted because it facilitates an effect that direct sanctions are intended to prevent^{1,2}.

Service-related facilitation infrastructures have also expanded in scope. The 19th package states that the EU introduced service bans blocking Russian access to advanced digital capabilities within the Union, including certain space-based services and AI services, and that a new prior-authorisation requirement will apply to any non-prohibited services to the Russian government. These measures belong in this section because they show that facilitation infrastructures are not only financial or logistical. They also include high-value service layers that enable planning, targeting, coordination, digital operations, and institutional resilience. When such services are restricted, the effect extends beyond the immediate contract. It affects the quality and adaptability of the broader support environment available to Russian state and para-state actors. The service ban therefore functions as a network control even where the direct addressee is formally the government³.

These examples show why the category of “facilitation infrastructure” is analytically useful. It captures entities and systems that are neither primary producers nor purely passive channels. They actively organise, normalise, or protect the performance of transactions and operations that sanctions seek to constrain. A broker, a crypto exchange, a payment system, a port, a shipping manager, a registry, a special economic zone, or a state-owned logistical service may each appear different in legal form. Yet all can function as enabling nodes that sustain Russian adaptation under sanctions. Network-based listings are therefore not arbitrary proliferation. They are attempts to map that common functional role across heterogeneous institutional forms. This is why 6.2.4 cannot be reduced to a list of “more entities sanctioned”. Its real subject is the increasing infrastructural intelligence of the regime^{4,5}.

The main operational advantage of network-based listings is that they attack substitution capacity rather than only direct conduct. If a bank is sanctioned but substitute banks remain open, the payment problem is only partially solved. If a vessel is listed but its managers, registry support, financiers, and service providers remain untouched, the route remains more resilient than necessary. If a sanctions-evading stablecoin can still circulate through offshore issuers and exchanges, financial pressure leaks into alternative infrastructure. By targeting the network rather than only the front-end node, the EU raises the cost of reconstruction after each restriction. This makes the adaptive cycle itself more fragile. It also explains why such measures are increasingly prominent as the sanctions’ regime matures^{6,7}.

At the same time, this strategy creates a more demanding burden of evidence and calibration. The more the EU sanctions mixed public–private and third-country networks, the greater the need to justify why a particular company, platform, bank, or infrastructure is a genuine enabler rather than merely a distant commercial actor. The regime partly addresses this through objective legal criteria such as ownership thresholds, direction-based language, transaction bans, and sector-specific annexes. It also addresses it by targeting concrete functional links: use of SPFS, support for the shadow fleet, significant buying of Russian crude, support to the military-industrial complex, or participation in sanctions circumvention. Even so, network-based sanctions remain more complex than direct actor sanctions. Their strength lies in functional realism. Their vulnerability lies in the fact that functional realism must be continuously evidenced and legally maintained^{8,9}.

For analytical clarity, the main categories of network-based listings and facilitation restrictions can be summarised as follows.

¹ Council Decision 2014/512/CFSP (consolidated version of 24 December 2025).

² European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

³ Ibid.

⁴ Council of the European Union. (2025). *Russia’s war against Ukraine: EU sanctions*.

⁵ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁶ Ibid.

⁷ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

⁸ Council Decision 2014/512/CFSP (consolidated version of 24 December 2025).

⁹ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

Table 6.2.4-1. Typology of network-based listings and restrictions on facilitation infrastructures

Node type	Representative EU instrument	Typical 2025 example	Functional role in the support network	Why this is hybrid rather than a simple listing
Third-country military-industrial enablers	Asset freezes, export restrictions, circumvention-linked entity listings	31 companies added in the 17th package, including firms in Türkiye, Vietnam, the UAE, Serbia and Uzbekistan	Provide direct or indirect support, procurement, or rerouting for Russia's military-industrial complex	Targets cross-border support chains rather than only Russian producers
Shadow-fleet value-chain enablers	Asset freezes, vessel-related criteria, shadow-fleet enabler listings	Five individuals and four entities sanctioned in December 2025; UAE/Vietnam/Russia shipping companies and businessmen linked to Rosneft/Lukoil	Sustain opaque transport, tanker management, and revenue continuity	Combines state-linked energy actors, private shipping firms, and high-risk logistics practices
Financial conduits	Transaction bans, messaging-service prohibitions, SPFS-linked measures	3 SPFS-linked banks in 16th package; 5 Central Asian banks and 4 Belarus/Kazakhstan institutions in 19th package	Preserve payment continuity outside ordinary sanctioned banking channels	Targets substitute financial architecture, not only named Russian banks
Crypto and fintech nodes	Listings, transaction bans, use prohibitions, crypto-service bans	A7A5 developer, Kyrgyz issuer, related trading platform, Paraguay exchange, crypto-service ban in 19th package	Enable offshore value transfer and alternative settlement outside ordinary finance	Integrates sanctions into digital financial infrastructure and offshore exchange ecosystems
Para-state service and registry structures	Transaction bans and related prohibitions	Russian Maritime Register of Shipping; Sovcomflot under Article 5aa/269 logic	Provide institutional cover, technical legitimacy, and logistical continuity	Targets infrastructures that are public, quasi-public, and commercially operational at once
Special economic zones and associated entities	Contract bans, divestment-style restrictions, owned/controlled entity extensions	Alabuga and Technopolis Moscow in 19th package; owned/controlled entities beyond the zone also covered	Concentrate investment, services, IP, logistics, and industrial capacity for war-relevant activity	Restricts ecosystem platforms rather than one firm or one shipment
Third-country infrastructure nodes	Port and lock transaction bans, infrastructure listings	Extension of port infrastructure ban to third-country ports instrumental to the war effort	Provide physical transfer points for sensitive goods and military-related logistics	Makes external infrastructure part of the sanctions perimeter based on function
Advanced service nodes	Service bans, authorisation requirements	Space-based services, AI services, stricter controls on services to Russian government in 19th package	Preserve digital capability, planning, and institutional support	Extends sanctions from goods and money into high-value enabling services

Authorship: prepared by the author on the basis of official EU institutional materials, Commission package statements, and EUR-Lex legal texts

Sources:

- Council of the European Union. (2025, December 15). *Russia's war of aggression against Ukraine: Council sanctions 9 shadow fleet enablers*.
- Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.
- Council Decision 2014/512/CFSP (consolidated version of 24 December 2025).
- European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.
- European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

The evolution across 2025 package cycles can also be summarised more compactly.

Table 6.2.4-2. Escalation of network-based sanctions instruments in 2025

Package / action	Main network-based innovation	Types of nodes targeted	Strategic direction
16th package (24 February 2025)	New listing criteria for military-industrial support; crypto and maritime-related listings; SPFS-linked transaction bans	53 new companies, 34 outside Russia; 83 listings including crypto exchanges and maritime actors; 3 banks using SPFS	Shift from direct sanctions to network-aware disruption of support ecosystems
17th package (20 May 2025)	Third-country enabler listings and shadow-fleet enabler criteria operationalised	31 companies, including 13 in third countries; Volga Shipping; broader shadow-fleet criteria	Consolidation of mixed public-private and cross-border support network targeting
19th package (23 October 2025)	Strong expansion into crypto, third-country banks, SEZs, Chinese revenue enablers, AI/space services, and ports	Stablecoin developer/issuer/platform, offshore exchange, 5 third-country banks, 4 SPFS-linked institutions, Chinese refineries/oil trader, SEZ entities, ports in third countries	Full-spectrum targeting of facilitation infrastructures rather than only direct sanctioned actors
Council action (15 December 2025)	Shadow-fleet value-chain enabler designations	5 individuals linked to Rosneft/Lukoil and 4 shipping companies in UAE, Vietnam and Russia	Explicit move toward value-chain sanctioning as a mature network-control strategy

Authorship: prepared by the author on the basis of Commission and Council 2025 sanctions announcements

Sources:

- Council of the European Union. (2025, December 15). *Russia's war of aggression against Ukraine: Council sanctions 9 shadow fleet enablers*.
- European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.
- European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

The two tables show that network-based sanctioning is not an incidental by-product of package accumulation. It has become a deliberate sanctions design principle. The regime increasingly targets not only state ministries or headline corporations, but also the connective organisations that enable payments, logistics, digital finance, offshore exchange, third-country processing, industrial clustering, and shadow-fleet operations. This has two consequences. First, it makes the sanctions regime more realistic in relation to how Russia actually adapts. Second, it increases administrative and evidentiary complexity, because these nodes are often mixed in ownership, mixed in geography, and mixed in public-private character. Network-based listings are therefore more demanding to build and defend, but also more likely to disrupt the adaptive medium in which circumvention survives^{1,2}.

A final conclusion follows. Network-based listings and restrictions on facilitation infrastructures should be understood in this report as a mature hybrid instrument family aimed at degrading the mixed public-private systems through which Russia preserves operational continuity under sanctions. Their defining feature is not simply that “more entities” are listed. It is that the entities are selected because of their functional position within enabling networks: shipping managers around the shadow fleet, SPFS-linked banks, crypto exchanges and stablecoin infrastructures, third-country industrial suppliers, para-state registries, SEZ-based production ecosystems, and service nodes linked to digital or strategic capability. Such measures are more precise than broad jurisdiction-wide penalties and more effective than sanctions focused only on the direct state actor. At the same time, they demand continuous evidentiary discipline, since the boundary between facilitation and mere commercial proximity can be contested.

¹ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

² Council of the European Union. (2025, December 15). *Russia's war of aggression against Ukraine: Council sanctions 9 shadow fleet enablers*.

Used carefully, however, they allow the EU to strike not only at Russia's immediate transactions, but at the architecture that keeps those transactions possible^{1,2,3}.

6.3. Effectiveness Assessment

6.3.1. Criteria and Indicators of Hybrid-Sanctions Effectiveness

The assessment of hybrid-sanctions effectiveness requires a measurement framework different from the one used for classical political or purely sectoral economic sanctions. In a hybrid regime, the decisive effect often does not appear first in aggregate trade collapse, GDP contraction, or immediate budgetary crisis. It appears earlier and more clearly in the disruption of enabling systems: routes become less reliable, lawful channels narrow, documentation burdens intensify, servicing becomes more difficult, and substitution moves into riskier or lower-quality networks. The EEAS explicitly treats sanctions effectiveness as inseparable from implementation breadth and from tackling circumvention through third countries, while the Commission's due-diligence guidance frames the key problem as the emergence of complex circumvention techniques across high-risk sectors and complex supply chains. This means that a suitable indicator framework must focus not only on end-state macroeconomic outcomes, but also on meso-level degradation of operational continuity. Hybrid sanctions are effective when they make adaptation slower, costlier, less lawful, less transparent, and less scalable. They are less effective when adaptation remains smooth, low-cost, documentable, and reproducible through stable substitute networks. The central methodological implication is therefore that effectiveness should be assessed through friction indicators and network-degradation indicators, not through binary "stopped/did not stop" assumptions^{4,5}.

A first criterion is therefore route disruption. In hybrid sanctions, a route is not simply a physical path by which goods or oil move from one place to another. It is a composite of transport availability, serviceability, insurability, documentation integrity, port access, permissive flagging, and counterparties willing to assume legal and reputational risk. If sanctions meaningfully disrupt routes, the target's adaptation capacity weakens even if some volumes continue to move. The Commission's 17th-package statement provides a clear illustration of this logic: EU vessel listings, together with actions by partner countries, were described as making it increasingly difficult to replace sanctioned vessels and making Russian oil exports more complex and costly. The same statement reports a decrease in volumes transported and in the number of ships carrying Russian oil, and notes that deliveries on EU-listed vessels had fallen by 76%. This shows why route disruption is a superior hybrid indicator to simple export prohibition counting. It measures not whether one channel was formally banned, but whether the transport ecology became materially less usable. Effective hybrid sanctions should therefore be expected to show fewer stable routes, more frequent rerouting, reduced capacity on sanctioned vessels, and greater dependence on degraded substitutes^{6,7}.

A second criterion is the escalation of transaction costs. This criterion is central because hybrid sanctions rarely require perfect interdiction to produce real pressure. It is often enough that a transaction must now pass through riskier intermediaries, more opaque documentation chains,

¹ Council Decision 2014/512/CFSP (consolidated version of 24 December 2025).

² European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

³ Council of the European Union. (2025, December 15). *Russia's war of aggression against Ukraine: Council sanctions 9 shadow fleet enablers*.

⁴ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁵ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁶ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁷ Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.

additional brokers, weaker payment infrastructures, or costlier insurance and compliance layers. The Commission's 17th-package statement explicitly says that exporting oil has become more complex and costly for the Kremlin as listed vessels can no longer operate business as usual. In analytical terms, this is exactly the sort of outcome hybrid sanctions are meant to produce. Transaction-cost escalation can manifest through higher freight premia, more expensive insurance, larger discounts demanded by counterparties, increased use of intermediaries, or more costly financing arrangements. It can also appear through indirect commercial effects, such as the need to offer more favourable terms to attract higher-risk service providers. A useful hybrid-sanctions indicator, therefore, is not just whether a good still moves, but at what price, through how many hands, and under what compensating risk premium. When transactions remain possible only at persistently worse terms, the sanctions regime is exerting real hybrid pressure^{1,2}.

A third criterion is time delay. Hybrid sanctions operate not only through cost, but through time as a coercive variable. Due-diligence requirements, route verification, end-use checks, ownership screening, contract redesign, software substitution, and repeated documentary review all slow the execution of transactions and services. The Commission's due-diligence guidance requires operators to conduct recurring risk assessments, to map products and transactions vulnerable to circumvention, and to monitor contractual arrangements, customers, business partners, processing, and end-use. Each of these measures has a temporal consequence. A transaction that once moved within a short and predictable commercial cycle may now require repeated review, escalation, and sometimes competent-authority engagement. From a hybrid perspective, this matters because delayed execution reduces flexibility, complicates inventory planning, weakens industrial scheduling, and lowers the reliability of adaptive channels. Accordingly, time delay should be measured not as a trivial inconvenience but as an indicator of systemic friction. An effective hybrid regime produces more waiting points, more decision bottlenecks, and more frequent interruption between planning and completion^{3,4}.

A fourth criterion is quality degradation. This is especially important in hybrid sanctions because the target may maintain nominal continuity by switching to lower-grade substitutes, older vessels, less capable software, weaker technical assistance, unverified components, or improvised maintenance cycles. The question of effectiveness is therefore not only whether a good, service, or route still exists, but whether its quality, safety, reliability, or interoperability has declined. The Price Cap Coalition advisory describes shadow-trade vessels as frequently older ships operating past traditional lifespans, with weak maintenance and regulatory-risk profiles, while the Commission's aviation explanation emphasises that the loss of spare parts, maintenance services, and technical assistance affects the ability to perform repairs and inspections. The same logic applies across industry: when sanctioned actors substitute with lower-trust providers or lower-quality inputs, apparent continuity may mask real deterioration. Hybrid sanctions are effective when they force this quality downgrade, because degraded quality raises downstream failure rates, safety risks, and long-run inefficiency. Quality degradation should therefore be assessed as a substantive effectiveness signal, not dismissed as a secondary side effect^{5,6}.

A fifth criterion is the shrinking of lawful options. This criterion is highly valuable because it captures the difference between adaptation through ordinary commercial means and adaptation through progressively more dubious or constrained channels. The more lawful, high-trust, well-insured, well-documented, and serviceable channels are removed, the more the target must rely on opaque, high-risk, or fragile alternatives. The Council's sanctions page now explicitly frames anti-circumvention through

¹ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

³ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁴ European Commission. (2025). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁵ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁶ Council of the European Union. (2025). *EU sanctions against Russia: Questions and answers*.

third countries as a key priority and describes measures such as the “no re-export to Russia” clause, enhanced due diligence for common high priority items, restrictions on vessels, bans on Mir and SBP, and limits connected to SPFS-linked financial institutions. Each of these measures narrows the set of lawful or commercially normal options. Hybrid-sanctions effectiveness should therefore be inferred where ordinary commercial pathways contract and where workarounds increasingly require legally or reputationally compromised infrastructures. A reduction in lawful options is not merely a legal metric. It is an operational indicator of how narrow and precarious the adaptation space has become^{1,2}.

A sixth criterion is increased compliance friction. This is particularly important because hybrid sanctions depend heavily on decentralised private-sector transmission. The Commission’s due-diligence guidance expressly states that EU operators should identify and assess circumvention risks on a recurring basis, follow open-source information on evolving techniques, and calibrate compliance programmes to business model, geography, customers, business partners, and staff. The guidance also gives concrete examples such as sudden export surges to previously marginal third-country destinations, freight-forwarder exposure, and easy product miscoding. This means that the sanctions regime itself expects growing friction as part of effective implementation. Increased compliance friction can therefore be observed in more intensive screening, additional documentation requests, extra layers of legal and commercial approval, more frequent refusal of borderline business, and greater divergence between what is legally arguable and what is commercially acceptable. In hybrid terms, this friction is not evidence of failure. It is one of the main ways the sanctions perimeter expands beyond the literal text of the prohibition. A useful indicator framework should thus measure compliance friction as a deliberate transmission effect rather than merely as a burden on firms^{3,4}.

A seventh criterion, though more difficult to interpret, is the visibility profile of networks. The user’s proposed indicator of “visibility reduction of networks” is analytically important, but it must be handled with caution. In some cases, reduced visibility of a sanctions-sensitive network may indicate that lawful, open, and well-documented channels have been displaced and that the network has retreated into more opaque and fragile forms. In that sense, reduced visibility can be a symptom of pressure. But the same development can also be an enforcement problem, because it may mean that the network has become harder to observe, harder to map, and harder to disrupt. The Commission’s due-diligence guidance and anti-circumvention materials repeatedly emphasise complex financial schemes, falsified origins, miscategorisation, and reliance on third-country jurisdictions. These patterns show that opacity is both a target response and a measurement complication. Accordingly, visibility reduction should never be treated as a standalone success indicator. It should be assessed only together with route disruption, cost escalation, lawful-option shrinkage, and other evidence that the move into opacity reflects stress rather than successful stabilisation^{5,6}.

This leads to a broader methodological rule: no single indicator should be treated as decisive in the hybrid field. Route disruption without cost escalation may indicate temporary rerouting rather than meaningful pressure. Cost escalation without time delays may still leave adaptation operationally manageable. Visibility reduction without evidence of lawful-channel shrinkage may simply reflect better evasion rather than weaker capability. Conversely, moderate changes across several indicators at once can be more significant than a dramatic movement in only one variable. Hybrid sanctions should therefore be assessed through indicator clusters rather than through isolated signals. The Commission’s due-diligence approach implicitly supports this logic, because it instructs operators to examine not only counterparties but also routes, contractual arrangements, end-use, and transaction

¹ Council of the European Union. (2025). *Russia’s war against Ukraine: EU sanctions*.

² European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

³ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁴ European Commission. (2024, January 26). *Consolidated FAQs on the implementation of Council Regulation No 833/2014 and Council Regulation No 269/2014*.

⁵ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁶ European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.

context. In analytical terms, the same principle should guide effectiveness assessment at report level. A strong hybrid-sanctions effect is visible where several forms of friction and degradation reinforce one another^{1,2}.

Another necessary distinction is between immediate indicators and lagging indicators. Immediate indicators include listing-induced route withdrawal, rising compliance checks, cancelled service provision, and delays in transaction execution. Lagging indicators include persistent quality erosion, cumulative inability to replace sanctioned vessels or parts, falling use of listed ships, or long-term dependence on degraded substitute infrastructures. The 17th-package statement is useful here because it captures both kinds of effects at once. It links immediate action—the listing of 189 additional vessels and the ban on services—to lagging effects such as the increasing difficulty of replacing sanctioned vessels and the growing complexity and cost of oil exports. A sound analytical framework for Part 6.3.1 should therefore separate indicators by temporal horizon. Otherwise, premature judgments may be made either that sanctions “failed” because activity continued in the short run, or that they “succeeded” because initial disruption occurred even though adaptation later stabilised. Hybrid sanctions are best assessed over time as degradation pathways, not as one-off events³.

The evidence base for these indicators should also be differentiated by level. Some indicators are observable through official package statements, guidance, or sanctions FAQs. Others require customs or enforcement data, shipping intelligence, insurance-market signals, or partner-country reporting. The Commission’s due-diligence guidance emphasises open-source information, strategic risk assessment, and typologies of circumvention. The EEAS effectiveness page emphasises coalition building and third-country alignment. These sources suggest that hybrid-sanctions measurement should combine regulatory evidence, market evidence, and network evidence. Regulatory evidence includes new listing criteria, service bans, and due-diligence obligations. Market evidence includes cost increases, service withdrawal, insurer retreat, and substitution into lower-quality channels. Network evidence includes rerouting, third-country surges, ownership opacity, and the growth or decline of facilitation nodes. The strongest assessment results arise when these evidence families point in the same direction^{4,5}.

It is also necessary to distinguish between effectiveness for disruption and effectiveness for visibility. Some hybrid instruments aim primarily to make activity harder and more expensive. Others aim to make it more detectable and therefore less deniable. These goals overlap but do not always move together. Maritime tracking, persistent vessel identifiers, and flag-state outreach improve visibility; routing through opaque intermediaries reduces it. Due-diligence obligations increase documentary exposure; digital finance substitutes may decrease formal traceability. For this reason, a good indicator system should not treat observability and disruption as identical. Rather, it should ask whether visibility is improving in ways that support disruption, or whether disruption is pushing activity into darker zones that require better enforcement capability. This distinction helps interpret the user’s indicator of network-visibility reduction more precisely. Visibility reduction is most meaningful when it is paired with other signs that the network is not only harder to see but also more fragile and more costly to maintain^{6,7}.

For that reason, the assessment of hybrid sanctions should not be reduced to macroeconomic counterfactuals such as “Did Russian GDP collapse?” or “Did all exports stop?” Hybrid measures are often designed precisely to avoid dependence on total closure. Their function is to degrade, narrow, fragment, and strain. The Commission’s technology, software, and maritime materials show that the EU

¹ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

³ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁴ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁵ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁶ Ibid.

⁷ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

increasingly acts against support ecosystems, not just flows. The more relevant question for 6.3.1 is therefore whether these ecosystems remain able to reproduce restricted activity in a stable, lawful, high-quality, low-friction way. If the answer is no—even though some activity persists—hybrid sanctions may be judged effective within their own operational logic. That does not mean strategic success is automatic or complete. It means the measurement framework must be aligned to the mechanism of the instrument^{1,2,3}.

Therefore, the main criteria and indicator families can be structured as follows.

Table 6.3.1-1. Core criteria and indicators for assessing the effectiveness of hybrid sanctions

Criterion	Primary indicator family	Typical observable signs	Interpretation rule	Main caveat
Route disruption	Shipping and trade-routing change	Fewer stable routes, reduced use of listed vessels, rerouting through longer or riskier paths, fewer lawful transfer points	Stronger disruption indicates weaker adaptation resilience	Some rerouting may reflect temporary adjustment rather than durable degradation
Transaction-cost escalation	Cost and risk-premium growth	Higher freight/insurance/compliance costs, larger intermediary margins, worse commercial terms, higher discounting	Sustained cost inflation is a core sign of hybrid pressure	Cost data may be partial or non-public
Time delays	Execution and approval lag	Longer document cycles, more screening time, slower delivery, delays in servicing or payments	Delay is coercively relevant when it affects reliability and planning	Short-term delays may later be normalised by adaptation
Quality degradation	Reliability and performance loss	Older vessels, weaker software support, poorer substitutes, lower maintenance quality, more fragile servicing	Declining quality shows degradation even when activity persists	Quality decline is sometimes difficult to quantify uniformly
Shrinking lawful options	Legal and commercially normal channel contraction	Fewer usable compliant routes, services, banks, platforms, insurers, or counterparties	Narrow lawful-option sets indicate rising dependence on compromised substitutes	Some lawful alternatives may persist in limited form
Increased compliance friction	Screening and due-diligence intensity	More documentation, more checks, more refusals, more internal escalations, over-compliance	Friction is a transmission mechanism of sanctions, not merely an implementation cost	Excess friction may also affect legitimate trade and humanitarian activity
Network visibility / opacity shift	Observability of facilitation patterns	More concealment, more shell structures, more AIS irregularities, more complex routing	Useful only when interpreted together with other pressure indicators	Visibility reduction alone may indicate stronger evasion rather than stronger sanctions

Authorship: prepared by the author on the basis of official EU institutional materials, Commission guidance, and coalition enforcement documentation

Sources:

- Council of the European Union. (2025). *Russia's war against Ukraine: EU sanctions*.
- European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.
- European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

¹ European Commission. (2024, February 6). *Frequently asked questions on restrictions on software concerning sanctions adopted following Russia's military aggression against Ukraine*.

² European Commission. (2025, June 30). *Targeted vessels*.

³ European Commission. (2025). *Export-related restrictions — Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

- European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

A second table is useful to separate strong, moderate, and ambiguous readings of the user's proposed indicators.

Table 6.3.1-2. Interpretive use of key hybrid-sanctions indicators

Indicator movement	Strong evidence of effectiveness when...	Only moderate evidence when...	Ambiguous or weak evidence when...
Routes are disrupted	Volume shifts away from lawful/high-trust channels and replacement routes are fewer, longer, or less serviceable	Rerouting occurs but equivalent alternative capacity appears quickly	Routes change but overall logistical resilience remains stable
Costs rise	Higher costs are sustained and linked to reduced replaceability or weaker intermediaries	Costs rise only temporarily during adjustment	Higher costs are easily absorbed without operational strain
Delays increase	Delays affect planning, maintenance, delivery reliability, or revenue collection	Delays are present but mostly administrative	Delays disappear quickly as new routines stabilise
Quality declines	Lower-quality substitutes affect safety, precision, interoperability, or continuity	Quality falls at the margins but core functions remain stable	Quality appears unchanged despite sanctions pressure
Lawful options shrink	Actors increasingly depend on opaque or high-risk channels	Some lawful channels remain but become narrower	Lawful and commercially normal alternatives remain abundant
Compliance friction increases	Screening and refusals materially narrow adaptation pathways	Friction rises mainly for low-risk or legitimate trade	Friction burdens operators but leaves core evasion networks intact
Network visibility declines	Reduced visibility coincides with route, cost, and quality deterioration, implying stressed opacity	Opacity grows, but enforcement visibility also improves in parallel	Opacity grows without other signs of degradation, suggesting successful concealment

Authorship: prepared by the author on the basis of official EU institutional materials, Commission guidance, and coalition enforcement documentation

Sources:

- European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.
- European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.
- European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.
- European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

Taken together, the two tables show that hybrid-sanctions effectiveness is best understood as structured degradation of adaptation systems. The most reliable evidence is not a single spectacular break, but the simultaneous deterioration of routes, costs, timing, quality, lawful optionality, and compliance ease. In that sense, the ideal hybrid-sanctions dashboard is neither purely legal nor purely macroeconomic. It is operational. It asks whether the target can still organise restricted activity through stable, well-documented, high-quality, low-friction channels. When the answer progressively becomes

negative, the sanctions regime is exerting real hybrid pressure even if adaptation has not been eliminated altogether^{1,2,3}.

A final conclusion follows. For the purposes of this report, hybrid-sanctions effectiveness should be assessed through a composite indicator logic centred on route disruption, transaction-cost escalation, time delays, quality degradation, shrinking lawful options, increased compliance friction, and carefully qualified changes in network visibility. These indicators are more appropriate than crude macro-outcome tests because they correspond to the actual mechanism by which hybrid measures operate. Their common analytical denominator is friction. Hybrid sanctions are effective when they turn adaptation from an orderly and scalable commercial process into a fragmented, slower, costlier, riskier, and lower-quality one. That is the measurement baseline that should govern the next subsections of 6.3^{4,5}.

6.3.2. Comparative Strengths of Hybrid Measures

The comparative strength of hybrid measures lies first in their flexibility. Unlike broader sanction forms that often require a major redesign of sectoral architecture in order to respond to new evasion patterns, hybrid instruments can frequently be added as targeted amendments, annex updates, guidance layers, transaction bans, due-diligence obligations, or listing-criteria extensions within the existing framework of Regulation 833/2014 and related instruments. The EU's sanctions architecture against Russia illustrates this clearly: the anti-circumvention tool of the 11th package, the "no re-export to Russia" clause, enhanced due diligence for common high priority items, targeted-vessel rules, SPFS-linked bank restrictions, crypto measures, and special-economic-zone controls were all introduced as evolutionary additions rather than as a wholesale replacement of the regime. This modularity gives hybrid sanctions a structural advantage in a long conflict. It allows the regime to adapt to evasion without repeatedly reopening the entire sanctions system from first principles. In policy terms, this is one of the main reasons hybrid measures have become increasingly central as the sanctions cycle has matured^{6,7,8}.

A second comparative strength is adaptive responsiveness. Hybrid measures are especially well suited to environments in which evasion methods evolve faster than stable sectoral redesign can reasonably follow. This point is directly visible in official EU language. The EEAS states that tackling circumvention, including through third-country jurisdictions, has become a key priority for ensuring the full effectiveness of sanctions, while Commission and EEAS materials repeatedly present new packages as responses to lessons learned from implementation and to increasingly sophisticated evasion patterns. President von der Leyen's October 2025 statement that, as evasion tactics grow more sophisticated, sanctions will adapt to stay ahead, captures the logic succinctly. Hybrid sanctions are comparatively strong because they are built for that moving-target environment. They do not require the assumption that the original structure of evasion will remain constant. Instead, they are designed to absorb feedback and respond incrementally^{9,10,11}.

¹ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

² European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

³ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁴ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁵ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁶ European External Action Service. (2023, June 22). *EU adopts 11th package of sanctions against Russia for its continued illegal war against Ukraine*.

⁷ Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.

⁸ Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.

⁹ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

¹⁰ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

¹¹ Statement by President von der Leyen on the 19th package of sanctions against Russia. (2025, October 22).

A third strength is cross-domain reach. Traditional sanctions categories often operate most clearly in one primary field: diplomacy, trade, finance, or law. Hybrid measures, by contrast, can reach across several domains without requiring a separate sanctions regime for each one. The general sanctions architecture maintained by the Commission explicitly lists anti-circumvention tools, contractual re-export prohibitions, technical-assistance bans, intellectual-property and trade-secret restrictions, transport measures, maritime-service restrictions, and business or IT consultancy bans as elements of one evolving framework. That means the EU can act simultaneously on goods, services, routes, documentation, financial conduits, and corporate behaviour. The comparative advantage here is obvious: one adaptive problem can be targeted from several operational directions without the legal and political delay that a wholly separate regime redesign might entail. Hybrid sanctions are therefore especially powerful where the target's adaptation strategy is itself multi-channel¹.

A fourth strength is the ability to close loopholes precisely. This is perhaps the most distinctive comparative advantage of hybrid measures. The 11th package's anti-circumvention tool was specifically presented as allowing restrictions on the export of sanctioned goods to third countries with a continued and particularly high risk of circumvention. The value of such a tool lies not in broadening sanctions indiscriminately, but in allowing the EU to act against a concrete leakage point while preserving the broader structure of the regime. Similarly, the "no re-export to Russia" clause of Article 12g and the enhanced due-diligence obligations of Article 12gb address identified pathways of diversion without requiring a full reclassification of all third-country trade as presumptively unlawful. This form of calibrated closure is one of the main reasons hybrid measures compare favourably with blunt across-the-board restrictions^{2,3,4}.

A fifth comparative strength is that hybrid measures strengthen the anti-circumvention architecture cumulatively rather than episodically. The EEAS explains that sanctions work best when implemented by as many actors as possible and stresses the importance of coalition-building and implementation. The Commission's due-diligence guidance, meanwhile, frames the problem as recurrent and evolving, requiring operators to stay alert to emerging patterns and to adjust their risk assessments accordingly. This means that hybrid sanctions do not usually function as isolated fixes. Their comparative advantage is that each new measure can reinforce earlier ones: due diligence supports contractual controls, contractual controls support customs and export controls, targeted-vessel measures support price-cap enforcement, and financial-node restrictions support all of them by reducing substitute payment capacity. Hybrid strength is therefore systemic. It lies in the ability to thicken the anti-circumvention architecture without replacing it^{5,6}.

A sixth strength is that hybrid measures are particularly effective against networked adaptation rather than only against direct prohibited conduct. The modern Russian sanctions-avoidance environment is characterised by rerouting, proxy trade, substitute payment systems, offshore or third-country entities, crypto-service nodes, shadow shipping, and mixed public-private support structures. Hybrid measures are comparatively strong because they can target those support systems directly. The 19th package provides a good example. It expanded sanctions into crypto platforms, additional banks in third countries, entities in special economic zones, and companies in Russia and third countries providing direct or indirect support to the military-industrial complex. This kind of targeting is stronger than a narrow direct-ban model because it degrades the architecture of substitution itself^{7,8}.

¹ European Commission. (2025). *Sanctions adopted following Russia's military aggression against Ukraine*.

² European External Action Service. (2023, June 22). *EU adopts 11th package of sanctions against Russia for its continued illegal war against Ukraine*.

³ European Commission. (2024, December 18). *"No re-export to Russia" clause*.

⁴ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁵ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁶ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁷ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁸ Statement by President von der Leyen on the 19th package of sanctions against Russia. (2025, October 22).

A seventh strength is selective intensity. Hybrid measures often permit the EU to intensify pressure where the evasion or support function is strongest without requiring a comparable increase in sanctions intensity across the whole regime. The 17th package, for example, concentrated heavily on shadow-fleet vessels and third-country enablers, while the 19th package added crypto, third-country banks, SEZs, and Chinese oil-related entities. These steps reflect not just escalation, but focused escalation. That is a comparative advantage because it allows pressure to be allocated to the most strategically relevant nodes. In analytical terms, hybrid measures are strong where the objective is not universal restriction but concentrated degradation of the most valuable adaptive channels^{1,2}.

An eighth strength is compatibility with coalition-based enforcement. The EEAS explicitly states that sanctions work best when implemented by as many actors as possible and notes EU coordination with like-minded third states, especially in G7 format, on key measures such as the oil price cap. Hybrid measures are particularly suited to that environment because they can be aligned functionally even where legal systems are not identical. Best practices for maritime due diligence, red flags for trade diversion, or scrutiny of alternative payment infrastructures do not require perfect regulatory identity to be effective. They require convergence of risk signalling and operational restraint. Hybrid measures therefore compare favourably with narrower legal tools that depend more heavily on exact formal symmetry across jurisdictions. Their strength lies in operational alignability^{3,4}.

A ninth strength is that hybrid measures can preserve broader regime continuity while still tightening specific controls. This is particularly clear in the price-cap framework. The Commission's general sanctions page explains that the G7 oil price cap was specifically designed to further reduce Russia's revenues while keeping global energy markets stable through continued supplies. That is an important comparative advantage. Rather than choosing only between full embargo and no action, the hybrid model allows the EU and partners to regulate routes, services, price-compliance conditions, shadow-fleet access, and maritime support in a way that exerts pressure while avoiding some of the destabilisation risks that a maximal closure strategy might entail. In other words, hybrid measures are often stronger where strategic constraint must be balanced against market-stability concerns^{5,6}.

A tenth strength is granular reversibility. Because hybrid measures are often annex-based, criteria-based, or guidance-mediated, they can in many cases be tightened, expanded, clarified, or narrowed without abandoning the structure into which they were inserted. This does not mean they are politically easy to reverse, but it does mean they are administratively more adjustable than all-or-nothing redesigns. The repeated package amendments to Regulation 833/2014 demonstrate that the EU can add or refine clauses, annexes, due-diligence obligations, service restrictions, and targeted infrastructures within the same legal chassis. That is a comparative institutional strength. It allows the regime to respond to feedback, jurisprudence, partner coordination, and enforcement experience in a more modular fashion^{7,8}.

An eleventh strength is that hybrid measures can externalise part of the sanctions' perimeter into private governance without formally expanding extraterritorial claims. Article 12g is a good example because it requires Union operators to contractually prohibit re-exportation to Russia of sensitive goods and technology. Article 12gb is another because it imposes due-diligence obligations on operators dealing with CHP items and, in defined circumstances, on controlled entities outside the Union. The result is powerful: the EU strengthens the downstream resilience of its sanctions through contracts, governance

¹ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

² European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

³ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁴ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁵ Ibid.

⁶ European Commission. (2025). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁷ Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.

⁸ Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.

processes, and risk assessments rather than only through border-stop logic. This is a comparative advantage because it allows loopholes to be narrowed through private-law and compliance channels rather than only through public-law expansion^{1,2,3}.

A twelfth strength is the capacity to use the same measure both preventively and disruptively. Traditional sanctions are often discussed as either blocking an activity or punishing it after the fact. Hybrid measures often do both at once. The Commission's due-diligence guidance and CHP guidance are preventive because they require operators to map vulnerabilities and stop diversion before it occurs. At the same time, targeted-vessel listings, transaction bans on SPFS-linked banks, and crypto-platform restrictions are disruptive because they remove already active nodes from the operational network. This dual-use character is an important strength. It means the same hybrid architecture can be used both to close detected gaps and to deter the formation of new ones^{4,5,6}.

A thirteenth strength is the ability to link old sanctions domains to new enabling technologies without conceptual rupture. The 19th package's move into crypto platforms, crypto transactions, fintech services, and alternative payment-system connections is a good example. Instead of constructing a completely separate "digital sanctions regime", the EU incorporated these nodes into the existing Russia sanctions framework as circumvention-relevant facilitators. This demonstrates a practical advantage of hybrid measures: they are not locked into twentieth-century distinctions between banking, trade, transport, and communications. They can absorb new enabling technologies into the same anti-circumvention logic. That gives them comparative strength in a rapidly changing technological environment^{7,8}.

A fourteenth strength is better fit with the actual architecture of Russian adaptation. The official materials repeatedly show that circumvention relies on third-country jurisdictions, substitute financial systems, shadow-fleet operations, offshore or foreign entities, and support to the military-industrial complex through direct or indirect channels. Hybrid measures are comparatively stronger than narrower forms because they are designed to intervene where the adaptation actually occurs. They target intermediaries, not only principals; infrastructure, not only flows; and services, not only goods. In comparative terms, this means hybrid measures are usually more realistic instruments for late-stage sanctions competition than broad but static bans that assume the original trade structure remains unchanged^{9,10,11}.

A fifteenth strength is greater compatibility with proportional escalation. Because hybrid measures can often be added through targeted clauses, annexes, or criteria, they are better suited to incremental tightening than many broader sanctions types. This matters strategically. It allows policymakers to escalate pressure in response to new evidence or new evasion patterns without immediately resorting to maximalist moves that might be politically harder to sustain or economically more destabilising. The sequence from the 11th package to the 19th package illustrates exactly this kind of progressive thickening. The regime became denser and more adaptive without losing institutional continuity. That is a comparative strength in long-duration coercive policy^{12,13}.

¹ European Commission. (2024, December 18). "No re-export to Russia" clause.

² European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

³ Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.

⁴ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ European Commission. (2025). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁶ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁷ Ibid.

⁸ Statement by President von der Leyen on the 19th package of sanctions against Russia. (2025, October 22)

⁹ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

¹⁰ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

¹¹ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

¹² European External Action Service. (2023, June 22). *EU adopts 11th package of sanctions against Russia for its continued illegal war against Ukraine*.

¹³ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

A sixteenth strength is that hybrid measures tend to generate multiplier effects across the compliance system. The Commission's due-diligence and consolidated FAQ materials are addressed not only to governments but to operators, and they explicitly aim to shape risk assessment, screening, contractual design, and refusal practices. This means that a formally limited hybrid measure may have an operational reach much wider than its textual perimeter. Once firms internalise elevated circumvention risk, lawful options narrow, due-diligence burdens rise, and borderline transactions become commercially unattractive. In comparative terms, this gives hybrid sanctions a force-multiplying advantage: the regime can intensify through guidance, red flags, and targeted obligations without having to legislate a brand-new prohibition for every emerging technique^{1,2}.

A seventeenth strength is durability. Hybrid measures often create lasting friction even where the immediate banned object can still be sourced through alternative channels. This is visible in maritime and technology cases. The 17th package states that listed-vessel measures made replacement more difficult and exports more costly. The software and CHP due-diligence regimes, meanwhile, impose continuing constraints on updates, management systems, downstream re-export, and third-country governance. The comparative strength here is not dramatic one-off interruption but sustained erosion of normality. In a prolonged confrontation, that is often more strategically valuable than a single sharp shock that can later be absorbed^{3,4,5}.

An eighteenth and final comparative strength is strategic coherence. Hybrid measures do not sit outside the sanctions' regime; they make the regime more internally coherent by connecting separate domains that would otherwise leave gaps between them. Anti-circumvention, due diligence, shadow-fleet targeting, no-re-export clauses, SPFS-related measures, crypto restrictions, and SEZ controls all reinforce the same underlying objective: to prevent Russia from reconstructing restricted capabilities through indirect, opportunistic, or infrastructural substitutes. In that sense, hybrid sanctions strengthen the regime not only tactically but architecturally. They reduce the mismatch between a static legal prohibition and a dynamic evasion environment. That is their deepest comparative advantage^{6,7,8}.

For analytical clarity, the comparative strengths can be summarised as follows.

Table 6.3.2-1. Comparative strengths of hybrid measures in the EU sanctions regime against Russia

Comparative strength	Operational meaning	Illustrative EU mechanism	Why this is stronger than a narrower single-domain response
Flexibility	Measures can be added as amendments, annexes, criteria, FAQs, or bans within the existing framework	11th package anti-circumvention tool; 12g; 12gb; targeted-vessel and crypto additions	Closes gaps without rebuilding the entire sanctions regime
Adaptability	Regime can respond to new evasion methods as they emerge	19th package response to sophisticated financial loopholes and crypto platforms	Better suited to moving-target evasion than static sectoral bans

¹ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Commission. (2024, January 26). *Consolidated FAQs on the implementation of Council Regulation No 833/2014 and Council Regulation No 269/2014*.

³ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁴ European Commission. (2024, February 6). *Frequently asked questions on restrictions on software concerning sanctions adopted following Russia's military aggression against Ukraine*.

⁵ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁶ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁷ European Commission. (2025). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁸ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

Comparative strength	Operational meaning	Illustrative EU mechanism	Why this is stronger than a narrower single-domain response
Cross-domain reach	One sanctions logic can act on trade, services, finance, logistics, and compliance simultaneously	Technical-assistance bans, software restrictions, SPFS-linked measures, maritime-service bans	Greater operational coverage than isolated trade or finance restrictions
Loophole closure	Specific leakage points can be targeted precisely	“No re-export to Russia” clause; anti-circumvention tool; third-country bank transaction bans	Reduces circumvention without indiscriminate over-expansion
Anti-circumvention reinforcement	New measures thicken and reinforce earlier controls	Due diligence + contractual clauses + listings + targeted-vessel rules	Creates cumulative architecture rather than one-off patching
Network realism	Targets actual adaptation channels rather than only direct actors	Third-country enabler listings; shadow-fleet enablers; crypto-service nodes	Better fits how sanctioned activity is preserved in practice
Coalition alignability	Operational risk signals can be shared across partners	G7 oil price cap and coalition maritime advisories	More scalable internationally than highly formalistic legal symmetry
Proportional escalation	Pressure can be intensified step-by-step	11th → 16th → 17th → 19th package layering	Allows tightening without immediate resort to maximalist redesign
Durability	Friction persists over time even if some activity continues	Update bans, due diligence, vessel listings, service denials	Produces sustained degradation rather than only one-off shock
Strategic coherence	Links separate sanctions domains into a more integrated regime	Anti-circumvention, finance, shipping, software, and infrastructure controls	Reduces the gap between prohibition and real adaptation pathways

Authorship: prepared by the author on the basis of official EU institutional materials, Commission guidance, and EUR-Lex legal texts

Sources:

- Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.
- Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.
- European Commission. (2024, December 18). “No re-export to Russia” clause.
- European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items.*
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia.*
- European Commission. (2025). *Sanctions adopted following Russia’s military aggression against Ukraine.*
- European External Action Service. (2023, June 22). *EU adopts 11th package of sanctions against Russia for its continued illegal war against Ukraine.*
- European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions.*
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors.*

A second matrix helps show why hybrid measures strengthen the anti-circumvention architecture without replacing it.

Table 6.3.2-2. How hybrid measures strengthen the anti-circumvention architecture without full regime redesign

Existing sanctions base	Typical loophole	Hybrid add-on measure	Resulting improvement
Export bans on sensitive goods	Re-export through third countries	Article 12g “no re-export to Russia” clause	Adds downstream contractual restraint without changing the basic export ban
Export bans on CHP items	Re-export via subsidiaries or distributors	Article 12gb enhanced due diligence	Adds governance and monitoring without rebuilding the underlying goods list
Banking restrictions	Use of substitute payment and messaging systems	SPFS-linked bank transaction bans; Mir/SBP-related measures	Narrows financial workarounds while preserving core sanctions structure
Oil transport restrictions	Use of shadow fleet and shadow servicing	Targeted-vessel listings; port/service bans; coalition maritime guidance	Converts maritime adaptation into a higher-friction and higher-cost activity
Entity listings	Continued support through affiliates and proxies	Network-based listings of enablers, shadow-fleet facilitators, third-country support firms	Extends pressure from primary actors to support nodes
Sectoral trade and service bans	Migration into digital or crypto-enabled workaround channels	Crypto-platform and fintech restrictions in 19th package	Updates the same regime for new infrastructure rather than inventing a separate one
Revenue and industrial restrictions	Concentration of activity in protected industrial platforms	SEZ restrictions and owned/controlled-entity extensions	Pushes sanctions into war-relevant industrial ecosystems without redesigning the whole sectoral regime

Authorship: prepared by the author on the basis of official EU institutional materials, Commission package statements, and EUR-Lex legal texts

Sources:

- Council Regulation (EU) 2024/1745 of 24 June 2024 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.
- Council Regulation (EU) 2025/395 of 24 February 2025 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia’s actions destabilising the situation in Ukraine.
- European Commission. (2024, December 18). “No re-export to Russia” clause.
- European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items.*
- European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia.*
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia.*
- European Commission. (2025). *Sanctions adopted following Russia’s military aggression against Ukraine.*

Taken together, these tables show that the greatest comparative advantage of hybrid measures is not simply that they are “broader.” Their real advantage is that they can absorb operational feedback, respond to circumvention with targeted add-ons, and make separate sanctions domains reinforce one another without abandoning the legal and institutional continuity of the regime. That makes them unusually well suited to a protracted sanctions contest in which the target’s adaptation mechanisms are diverse, transnational, and constantly evolving. Hybrid sanctions are thus comparatively strong not because they replace political, economic, legal, or compliance measures, but because they connect and intensify them^{1,2}.

A final conclusion follows. The comparative strengths of hybrid measures consist in their flexibility, adaptive responsiveness, cross-domain reach, loophole-closing precision, cumulative reinforcement of anti-circumvention architecture, and ability to tighten pressure without full redesign of the sanctions’ regime. In the EU–Russia case, these strengths have already become visible through the layering of the 11th, 16th, 17th, and 19th packages and through the integration of contractual, financial, maritime,

¹ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions.*

² European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia.*

software, due-diligence, and network-based tools into one evolving framework. This does not mean hybrid measures are costless or universally sufficient. It means they are comparatively better suited than narrower instruments to a long-running contest of evasion and counter-evasion. For the purposes of this report, they should therefore be treated as the most operationally agile segment of the current sanctions' regime^{1,2,3,4}.

6.3.3. Structural Limits, Enforcement Risks, and Unintended Effects

The comparative strengths of hybrid measures do not eliminate their structural limits. On the contrary, many of their advantages arise precisely because they operate in terrains where sanctions are hardest to stabilise: indirect trade, mixed public–private networks, third-country routing, substitute financial infrastructures, and layered service ecosystems. This means that hybrid sanctions are often strongest where proof is least linear, enforcement is least uniform, and legitimate commercial activity is most difficult to separate cleanly from sanctions-relevant facilitation. The EU itself implicitly recognises this difficulty. The EEAS states that implementation and enforcement remain the responsibility of the Member States, while the Commission's due-diligence guidance is framed as support for operators confronting increasingly complex and opaque circumvention schemes. The regime is therefore structurally dependent on a distributed architecture of national authorities, private actors, and partner-country cooperation rather than on a single central enforcement command. That gives hybrid sanctions reach, but it also makes them vulnerable to fragmentation, uneven capacity, and evidentiary asymmetry. Their main risks are thus not accidental administrative defects. They are built into the same cross-domain complexity that gives the instruments their operational value^{5,6}.

The first structural limit is attribution. Hybrid measures are designed to act against enabling systems, but enabling systems are often composed of actors whose role is indirect, modular, or partially deniable. A freight forwarder may handle both legitimate and questionable cargoes. A financial intermediary may process transactions that look ordinary on their face while still functioning as part of an evasion ecosystem. A crypto platform may not be a state entity, yet it may materially support circumvention. The Commission's September 2023 note states plainly that Russia has deployed increasingly elaborate and opaque schemes to circumvent sanctions and that EU operators must identify and assess circumvention risks when dealing with third countries. That is a strong indication that the EU itself does not expect attribution to rest on simple one-step factual patterns. In hybrid sanctions, the strongest operational targets are often those for which functional relevance is clearer than direct legal culpability. This makes attribution more realistic in strategic terms, but also more vulnerable to challenge in legal and political terms^{7,8}.

A 2nd structural limit is evidentiary dispersion. The Commission's due-diligence guidance explains that operators must assess risks on a recurring basis, using open-source information on the evolution of circumvention techniques, and that relevant risks arise especially in high-risk sectors and complex supply chains. This is an important admission about the nature of the evidence problem. The regime depends not only on definitive proof of a violation but also on evolving red-flag constellations, trade anomalies, business-partner profiles, route behaviour, and shifts in third-country demand. Such evidence can be strategically persuasive, but it is often fragmented across customs data, shipping

¹ European External Action Service. (2023, June 22). *EU adopts 11th package of sanctions against Russia for its continued illegal war against Ukraine*.

² European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

³ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁴ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁵ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁶ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁷ European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.

⁸ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

information, contractual behaviour, ownership structures, and compliance intelligence. That makes hybrid enforcement more intelligence-intensive than many traditional sanctions categories. It also means that evidentiary gaps are not rare exceptions; they are a normal feature of the field. A network may be strongly suspected on functional grounds before its full structure is demonstrable in publicly usable form¹.

A 3rd structural limit follows directly from the institutional design of EU sanctions enforcement: fragmented implementation across Member States. The EEAS states that EU countries are responsible for enforcing sanctions within their borders, that they assess violations and take action, and that the Commission oversees implementation and enforcement across Member States. The Commission's due-diligence guidance confirms the same point by stating that it is for Member States to implement and enforce sanctions, while the Commission seeks to ensure uniform implementation throughout the Union. The Council's 2024 Best Practices document makes the fragmentation even more explicit by describing itself as a set of non-exhaustive, non-binding recommendations of a general nature that must remain compatible with Union and national law. In practical terms, this means that hybrid sanctions depend on a multi-layered enforcement field in which guidance, national discretion, competent-authority capacity, and legal culture all matter. This is a workable structure for a union of states, but it also means that enforcement consistency cannot be assumed automatically. Hybrid sanctions are therefore structurally exposed to uneven vigilance, uneven resources, and uneven interpretation^{2,3,4}.

The 4th limit is that fragmented enforcement is not merely institutional; it is also epistemic. Member States do not all observe the same transactions, possess the same customs exposure, or have the same industry specialisation. Some are more exposed to maritime routing, others to dual-use exports, others to finance, logistics, or humanitarian licensing. This is one reason the 2024 Best Practices emphasise coordination and information-sharing, and why the 2024 Directive requires accurate, consistent, and comparable statistical data to support strategic and operational planning. The Directive also requires cooperation through and with Europol, Eurojust, the European Public Prosecutor's Office, and the Commission. These provisions are not signs of complete harmonisation; they are evidence that fragmentation is real enough to require systematic correction. Hybrid sanctions are unusually dependent on such correction because cross-domain circumvention often becomes visible only when separate fragments of information are combined. Where that combination is slow or incomplete, enforcement lags behind adaptation^{5,6}.

A 5th structural risk is partner divergence beyond the EU. The EEAS states that sanctions work best when implemented by as many actors as possible, that the EU seeks to build the broadest coalitions of countries to align with its measures, and that coordination with like-minded third states has become especially important since the full-scale invasion. The strength of that statement is also a signal of vulnerability. If sanctions work best when implemented broadly, they work less well when partner alignment is partial, slow, selective, or transactional. Hybrid measures are particularly exposed to this problem because they often rely on third-country routing, third-country banking, offshore service providers, and external logistics infrastructure. A limited gap in partner alignment may therefore create a disproportionately large loophole for network-based adaptation. This does not mean the coalition strategy has failed. It means the effectiveness of hybrid sanctions is more tightly tied to partner behaviour than many more domestically enforceable sanctions types⁷.

¹ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.; European Commission. (2023).

³ Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.

⁴ Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures* (11623/24).

⁵ Ibid.

⁶ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

⁷ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

The 6th structural limit is the non-extraterritorial character of EU sanctions. The EEAS clarification from May 2023 states explicitly that EU measures have no extraterritorial effect, meaning they apply only to European entities, and that this is precisely why circumvention through third countries is a delicate issue. It further states that the EU must tread carefully and avoid antagonising countries that are not subject to European law. This is a principled and politically necessary position, but it creates a built-in limit for hybrid sanctions. The EU can regulate EU operators, EU-linked services, EU ports, EU contracts, and EU-based financial or service relationships. It cannot simply compel all non-EU actors to conform in the same way. This means that anti-circumvention architecture must work through nexus, leverage, incentives, and selective restrictions rather than through universal command. Hybrid measures are therefore structurally stronger than purely direct sanctions in dealing with transnational evasion, but they are still bounded by the Union's jurisdictional model^{1,2}.

A 7th limit is substitution. Hybrid sanctions are designed precisely because direct bans often push adaptation into alternative channels. Yet this means that every successful restriction also creates pressure for evasion to move elsewhere: into shadow fleets, substitute banks, crypto-service nodes, front companies, special economic zones, or alternative software and servicing ecosystems. The EU's own package evolution confirms this repeatedly. The 17th package highlighted the need to add more third-country enablers and more shadow-fleet vessels, while the 19th package expanded sharply into crypto platforms, third-country banks, SEZs, and new service restrictions. This evolutionary pattern demonstrates the strength of hybrid sanctions, but it also reveals a structural limit: substitution never disappears as a challenge. Each round of control changes the terrain of adaptation, but rarely abolishes the need for the next round. Hybrid sanctions are therefore engaged in an ongoing contest of substitution and counter-substitution^{3,4}.

The 8th structural risk is that substitution can produce a paradox of opacity. When lawful and well-documented channels are narrowed, sanctions-sensitive activity may move into less visible or less standardised environments. That may increase cost and fragility, which is one sign of success. But it may also make monitoring harder, which is one source of enforcement risk. The Commission's circumvention guidance and the EEAS clarification both point to increasingly complex and opaque techniques, including third-country rerouting, abnormal trade surges, and harder-to-trace transactions. This means that a reduction in the visibility of a network is analytically ambiguous. It can indicate growing pressure on lawful channels, but it can also indicate that the network has migrated into darker operational space. Hybrid sanctions therefore face a structural measurement problem: some of their success mechanisms also make their effects harder to observe with confidence^{5,6}.

A 9th limit concerns over-compliance. Hybrid measures frequently increase uncertainty for lawful operators because the risks of error, misclassification, and indirect benefit are difficult to assess in real time. Over-compliance becomes likely when firms withdraw from activities that might still be legally permissible because the cost of careful differentiation is too high. The Commission's October 2025 FAQ on refined products obtained from Russian crude is unusually explicit on this point: it states that the relevant presumption should hold unless there is significant evidence to the contrary because the objective is to ease the administrative burden on customs authorities and importers and to avoid unintended consequences on the EU's security of supply by over-compliance with Article 3ma. This is a particularly valuable source because it shows the EU acknowledging over-compliance not as a

¹ European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.

² European External Action Service. (2025, January 9). *Legality of sanctions*.

³ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁴ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁵ European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.

⁶ European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.

theoretical possibility but as a practical policy risk. Hybrid sanctions are therefore structurally prone to generate commercial caution beyond the strict perimeter of the law¹.

A 10th unintended effect is spillover to legitimate operators. The same Commission materials that encourage enhanced vigilance also make clear that operators across high-risk sectors and complex supply chains must repeatedly reassess customers, business partners, transactions, routes, and end-use exposure. For large firms with mature compliance departments, this is burdensome but often manageable. For smaller firms, more specialised exporters, freight forwarders, or service providers, the administrative cost can be proportionately much higher. The result may be market exit, avoidance of lawful trade, or over-reliance on simplified refusal strategies. This does not mean the sanctions are wrong. It means that hybrid enforcement externalises a considerable share of the screening burden onto legitimate economic actors. In a regime built around decentralised vigilance, that burden is part of how pressure is transmitted. But it is also one of the regime's main unintended costs^{2,3}.

An 11th unintended effect concerns security-of-supply and commercial continuity in legitimate sectors. The refined-products FAQ is again instructive because the Commission explicitly balanced anti-circumvention goals against the need to avoid administrative burdens that could generate unintended consequences for EU supply security. This is a reminder that hybrid sanctions often operate in infrastructure-rich systems where lawful and unlawful flows are not perfectly separable. Energy, shipping, finance, logistics, and software are not marginal sectors. They are core systems of everyday commercial life. A hybrid sanction can therefore be well-designed in anti-circumvention terms and still generate collateral strain if legal operators cannot distinguish risk cases quickly and reliably enough. In such sectors, unintended effects may appear not as dramatic legal disputes but as cautious commercial withdrawal, delayed deliveries, or reduced willingness to engage in lawful but higher-risk trade⁴.

A 12th limit concerns humanitarian and basic-needs spillovers. The EEAS legality page states that EU sanctions regimes contain derogations and exemptions for humanitarian action and that standard exemptions exist to allow designated persons to meet basic needs or access medical care and medicines. The Council's 2024 Best Practices go further by stating that humanitarian authorisation requests should, where appropriate, be treated with priority, and that humanitarian purposes include delivering or facilitating assistance such as medical supplies, food, transfers of humanitarian workers, and evacuations. These safeguards are important, but the very fact that they must be emphasised shows the risk they address. Hybrid sanctions can affect service systems, logistics, payments, and administrative channels that legitimate and humanitarian operators also need. The more complex the anti-circumvention architecture becomes, the more important it is that exemption pathways remain usable in practice rather than merely available in theory^{5,6}.

A 13th structural risk is the possibility of false positives and mistaken identity. Network-based and facilitation-oriented measures widen the perimeter of relevant actors, which inevitably raises the chance that a person or entity is connected to a sanctions-sensitive pattern without being correctly identifiable or properly distinguishable from others. The Council's Best Practices recognise this directly. They provide procedures for cases of mistaken identity and state that a transparent and effective de-listing procedure is essential to the credibility and legitimacy of restrictive measures, not least because de-listing may be appropriate in cases of mistaken listing, later factual changes, or the disappearance of listing criteria. This is a significant limitation for hybrid sanctions in particular, because they often rely

¹ European Commission. (2025, October 29). *Frequently asked questions on restrictions on import ban on refined products obtained from Russian crude oil concerning sanctions adopted following Russia's military aggression against Ukraine*.

² European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

³ European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.

⁴ European Commission. (2025, October 29). *Frequently asked questions on restrictions on import ban on refined products obtained from Russian crude oil concerning sanctions adopted following Russia's military aggression against Ukraine*.

⁵ European External Action Service. (2025, January 9). *Legality of sanctions*.

⁶ Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures (11623/24)*.

on ownership links, associated entities, direction-based conduct, and facilitation roles rather than on one direct end-use act. The broader the network logic becomes, the more demanding the correction machinery must be^{1,2}.

A 14th limit concerns legal certainty and proportionality in enforcement design. Directive (EU) 2024/1226 repeatedly emphasises that penalties for sanctions violations should be effective, dissuasive, and proportionate, and it requires comparable statistical data and stronger cooperation precisely because the regime must move beyond symbolic prohibition into enforceable practice. Yet this also shows that the EU is aware that sanction enforcement cannot be intensified indefinitely without standards that discipline it. Hybrid sanctions, by design, often push enforcement into areas where facilitation and violation are functionally close but legally distinct. If proof thresholds become too loose, proportionality suffers; if they remain too strict, deterrence weakens. The resulting tension is not easily resolved. It is a built-in problem of operating against complex support networks through legal means³.

A 15th enforcement risk lies in capacity asymmetry between public authorities and private gatekeepers. The Commission's due-diligence materials place heavy responsibility on exporters, intermediaries, and other operators to detect red flags, map vulnerable products and activities, monitor business partners, and adjust controls to changing techniques. The EEAS likewise notes that financial institutions bear significant responsibility in adhering to the regulations. This can be effective where private actors are sophisticated, well resourced, and strongly supervised. It is less effective where firms have limited compliance capacity, weak specialised knowledge, or little leverage over downstream partners. Hybrid sanctions therefore risk becoming unevenly transmitted: strongest where private compliance is advanced, weaker where it is thinner or more formalistic. This asymmetry is one reason why the same legal instrument may generate very different practical results across sectors and jurisdictions^{4,5}.

A 16th structural limit is the tension between data-sharing needs and legal constraints. The Council's Best Practices stress that recommendations must remain compatible with Union and national law, including data-protection law. At the same time, the same document and the 2024 Directive emphasise the value of information-sharing, statistical recording, whistleblowing, and coordination among authorities. Hybrid sanctions require more data integration than simpler sanctions types because their targets are often visible only as patterns across transactions, routes, entities, and jurisdictions. But precisely because these patterns involve sensitive financial and commercial information, legal and procedural constraints may slow or complicate information use. This is another example of how hybrid sanctions face limits born from the very governance standards they are designed to uphold^{6,7}.

A 17th limitation is interpretive ambiguity in the evidence of success itself. When hybrid sanctions push activity into more opaque and fragmented channels, some outcomes can be read in opposite ways. A decline in the use of lawful routes may indicate that the regime is biting. But it may also mean that monitoring becomes more difficult because activity has migrated into more obscure pathways. More documentation requests may show increased compliance friction, but they may also slow legitimate commerce disproportionately. Even cost escalation can be strategically ambiguous if the targeted side is able to absorb the added expense over time. This does not make evaluation impossible. It means

¹ Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures* (11623/24).

² European External Action Service. (2025, January 9). *Legality of sanctions*.

³ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

⁴ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁶ Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures* (11623/24).

⁷ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

evaluation must remain multi-indicator and cautious. Hybrid sanctions are hardest to assess precisely where they are most operationally sophisticated^{1,2}.

An 18th, and final limit, is strategic fatigue. The 2023 EEAS clarification framed circumvention as an issue the EU would increasingly have to address “at home,” while the 2025 EEAS page framed effectiveness as a permanent goal rather than a one-off achievement. Those formulations reveal a broader truth: hybrid sanctions require continuous updating, continual operator guidance, ongoing package maintenance, and repeated recalibration as loopholes move. This makes them more adaptable than static sanctions, but it also makes them administratively demanding and politically maintenance-intensive. A regime that depends on frequent annex changes, refreshed due-diligence expectations, additional network-based listings, and new infrastructure restrictions is powerful, but it also requires sustained institutional attention. Hybrid measures are therefore not a low-cost alternative to broader sanctions. They are a high-management form of coercive governance^{3,4}.

For analytical clarity, the principal structural limits and risks can be summarised as follows.

Table 6.3.3-1. Structural limits and enforcement risks of hybrid sanctions

Limit / risk	Core mechanism	Why it arises strongly in hybrid sanctions	Main practical consequence
Attribution difficulty	Functional role clearer than direct culpability	Hybrid measures target enabling nodes, not only primary actors	Higher legal and evidentiary contestability
Evidentiary gaps	Information dispersed across routes, contracts, ownership, customs, finance	Networked circumvention is multi-layered and partly opaque	Slower enforcement and greater dependence on inference
Fragmented EU enforcement	Member States implement and enforce; best practices are non-binding	Cross-domain measures require different national capacities and interpretations	Uneven implementation and compliance asymmetry
Partner divergence	Sanctions work best with broad alignment, but third-country support varies	Hybrid measures often depend on third-country routes, banks, and service nodes	Loopholes persist where alignment is partial
Jurisdictional limits	EU sanctions are not extraterritorial	Hybrid adaptation often occurs outside the Union	Reliance on nexus-based rather than universal control
Substitution effects	New controls push activity into other channels	Hybrid pressure constantly reshapes adaptation rather than ending it once	Recurring need for new packages and add-ons
Over-compliance	Operators withdraw beyond strict legal minimum	Complex risk environments raise the cost of precise differentiation	Burden on lawful operators and potential supply distortions
Legitimate-operator spillovers	Compliance burdens and delays fall on non-violating actors too	Hybrid sanctions externalise much screening to the market	Higher administrative costs and lawful-trade friction
Humanitarian spillovers	Restrictions may affect service, payment, and logistics chains needed for aid	Network-targeting can touch channels also used for exempt purposes	Pressure for effective, usable derogations and fast authorisations
False positives / mistaken identity	Broader network targeting increases identification risk	Ownership, direction, and facilitation links are harder to delimit	Need for de-listing and correction mechanisms

¹ European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks.*

² European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia.*

³ Ibid.

⁴ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions.*

Limit / risk	Core mechanism	Why it arises strongly in hybrid sanctions	Main practical consequence
Capacity asymmetry	Public authorities and private firms do not have equal resources or expertise	Hybrid sanctions rely on decentralised vigilance	Stronger effects in well-policed sectors, weaker in thin-capacity areas
Data-governance tension	Need for more information-sharing meets legal and procedural constraints	Hybrid networks are visible only through integrated data	Friction between enforcement ambition and rule-of-law safeguards

Authorship: prepared by the author on the basis of official EU institutional materials, Commission guidance, and EUR-Lex legal texts

Sources:

- Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) – Update of the EU Best Practices for the effective implementation of restrictive measures (11623/24)*.
- European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.
- European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.
- European Commission. (2025, October 29). *Frequently asked questions on restrictions on import ban on refined products obtained from Russian crude oil concerning sanctions adopted following Russia's military aggression against Ukraine*.
- European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia*.
- European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.
- European External Action Service. (2025, January 9). *Legality of sanctions*.
- European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

A second matrix helps distinguish structural limits from unintended effects, since they should not be analytically collapsed.

Table 6.3.3-2. Distinguishing structural limits, enforcement risks, and unintended effects in hybrid sanctions

Category	Typical problem	Best indicator that the problem is present	Why it matters analytically
Structural limit	Attribution and evidentiary incompleteness	Repeated reliance on red flags, indirect indicators, and evolving typologies	Shows that the target object is inherently harder to prove than direct violations
Structural limit	Fragmented Member State enforcement	Need for non-binding best practices, harmonisation directives, and comparable statistics	Indicates that enforcement coherence is not automatic
Structural limit	Partner divergence	Official emphasis on coalition breadth and third-country coordination	Reveals dependence on actors outside the EU legal core
Enforcement risk	Over-compliance	Official concern to avoid excessive burdens on authorities and importers	Shows that deterrence can exceed intended perimeter
Enforcement risk	Mistaken identity / false positives	Need for de-listing, judicial review, and cross-Member State notification	Indicates that broader targeting increases correction needs
Enforcement risk	Capacity asymmetry	Heavy reliance on operator due diligence and recurring risk assessments	Suggests that implementation quality may vary by firm and sector

Category	Typical problem	Best indicator that the problem is present	Why it matters analytically
Unintended effect	Spillovers to legitimate operators	Higher compliance costs, delays, refusals, and documentation burdens	Demonstrates that pressure is partly transmitted through lawful commerce
Unintended effect	Humanitarian and basic-needs friction	Need for exemptions, derogations, priority treatment, and contact points	Shows that cross-domain restrictions can affect protected channels unless actively managed
Unintended effect	Migration into opacity	Greater use of opaque networks and harder-to-read patterns	Can mean both pressure success and monitoring difficulty at the same time

Authorship: prepared by the author on the basis of official EU institutional materials, Commission guidance, and EUR-Lex legal texts.

Sources:

- Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures* (11623/24).
- European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks.*
- European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*
- European Commission. (2025, October 29). *Frequently asked questions on restrictions on import ban on refined products obtained from Russian crude oil concerning sanctions adopted following Russia's military aggression against Ukraine.*
- European External Action Service. (2023, May 19). *Some clarifications on the circumvention of EU sanctions against Russia.*
- European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions.*
- European External Action Service. (2025, January 9). *Legality of sanctions.*
- European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.*

Taken together, these tables show that the limits of hybrid sanctions are not mainly conceptual. They are operational and institutional. Hybrid measures fit the real architecture of circumvention better than many narrower tools, but they also rely more heavily on distributed evidence, decentralised enforcement, partner cooperation, and private compliance capacity. That makes them powerful, but also management-intensive and vulnerable to uneven execution. Their unintended effects are not incidental noise around an otherwise clean system. They are the predictable by-products of acting against enabling networks rather than only against direct transactions or named state organs^{1,2,3}.

A final conclusion follows. The structural limits of hybrid sanctions consist above all in attribution difficulty, fragmented enforcement, evidentiary gaps, partner divergence, and persistent substitution pressure, while their main enforcement risks and unintended effects include over-compliance, spillovers to legitimate operators, humanitarian friction, false positives, and migration into more opaque networks. These constraints do not negate the value of hybrid measures. They explain the conditions under which such measures can succeed or fail. In practical terms, hybrid sanctions work best when anti-circumvention intelligence, national enforcement capacity, partner alignment, de-listing safeguards, and exemption mechanisms are all strong enough to carry the burdens that cross-domain sanctioning creates. Where those supports are weak, the regime risks becoming simultaneously over-

¹ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions.*

² European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*

³ Council of the European Union. (2024, July 3). *Restrictive measures (Sanctions) — Update of the EU Best Practices for the effective implementation of restrictive measures* (11623/24).

inclusive for lawful actors and under-inclusive for real facilitators. That tension should be treated as one of the central analytical findings of 6.3 rather than as a peripheral implementation issue^{1,2,3}.

6.3.4. 2026–2030 Outlook: Durability Conditions, Erosion Risks, and Recalibration Triggers

The 2026–2030 outlook for hybrid sanctions should be framed neither in maximalist nor in minimalist terms. The most plausible strategic baseline is not the complete closure of Russian adaptation pathways, but the sustained degradation of those pathways through faster updates, better network visibility, stronger partner coordination, and more disciplined feedback loops. This starting point is also consistent with the current institutional situation. As of March 2026, the EU has not abandoned the existing sanctions architecture; instead, it is still building on it incrementally. The Commission proposed a 20th package on 6 February 2026, and the Foreign Affairs Council on 23 February 2026 confirmed that work on that package was still ongoing while the broader pressure strategy against Russia remained active. This already suggests the likely trajectory for the period to 2030: hybrid measures will remain effective only if they continue to evolve faster than the networks, they seek to constrain^{4,5}.

A first durability condition is therefore faster update cycles. Hybrid sanctions lose effectiveness when the legal and operational response moves more slowly than evasion. The official sanctions-guidance architecture now shows clear movement in the opposite direction. The Commission's consolidated sanctions FAQs were updated on 13 March 2026, and the guidance-documents page explicitly offers RSS feeds so operators can receive updates whenever guidance changes. In addition, the oil-price-cap guidance states that the crude-oil price cap is now subject to an automatic and dynamic review mechanism, with Commission notices every six months and earlier assessments where justified by market or geopolitical developments. These are not marginal administrative details. They indicate that the EU increasingly understands update speed itself as part of sanctions effectiveness. A hybrid regime that updates slowly invites arbitrage; a hybrid regime that updates quickly raises uncertainty for circumvention networks and shortens the life cycle of loopholes^{6,7,8}.

The strategic meaning of faster update cycles extends beyond mere legal housekeeping. In the period to 2030, many of the most relevant Russian adaptation channels are likely to remain fluid: shadow-fleet routing, alternative payment infrastructures, proxy trade through third countries, crypto-linked settlement tools, and distributed technology procurement. In such an environment, a slow-moving sanctions regime risks becoming historically accurate but operationally late. By contrast, one that can revise guidance, adjust annexes, review price-cap parameters, and respond to new enabling nodes on a rolling basis is more likely to preserve pressure. The proposal for the 20th package is revealing in this respect. Even before adoption, it signals an intention to add more shadow-fleet listings, further financial restrictions, and broader maritime-service constraints. The important point for the outlook is not only the substance of that proposal, but the fact that the regime continues to adapt in-package rather than waiting for a strategic reset. Durability will therefore depend heavily on whether the EU can normalise shorter iteration cycles without sacrificing legal precision^{9,10,11}.

A 2nd durability condition is network mapping. The next phase of hybrid sanctions will remain viable only if the EU and its partners continue shifting from actor-by-actor targeting towards system-level mapping

¹ European Parliament and Council of the European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673*.

² European External Action Service. (2025, January 9). *Legality of sanctions*.

³ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁴ Statement by President von der Leyen on the 20th package of sanctions against Russia. (2026, February 6).

⁵ Foreign Affairs Council, 23 February 2026. (2026, February 23).

⁶ European Commission. (2026, March 13). *Consolidated version of the FAQs on sanctions against Russia and Belarus*.

⁷ European Commission. (n.d.). *Guidance documents*.

⁸ European Commission. (2026, January 15). *Guidance on oil price cap*.

⁹ Statement by President von der Leyen on the 20th package of sanctions against Russia. (2026, February 6).

¹⁰ Foreign Affairs Council, 23 February 2026. (2026, February 23).

¹¹ European Commission. (2026, January 15). *Guidance on oil price cap*.

of facilitators, routes, ownership chains, software-service dependencies, payment substitutes, and third-country enablers. The official logic for this already exists. The Commission's due-diligence guidance instructs operators to conduct recurring risk assessments, identify products and activities vulnerable to circumvention, and monitor customers, business partners, contractual arrangements, processing, and end-use. The 2025 and 2026 package statements show that the EU is already targeting networks rather than only principals: shadow-fleet vessels, SPFS-linked institutions, crypto platforms, third-country companies, and special economic zones. The implication for 2026–2030 is clear. Where network mapping improves, hybrid sanctions are likely to remain disruptive. Where it stagnates, the regime will increasingly strike only visible fragments while more adaptive support structures move elsewhere^{1,2,3}.

This network-mapping requirement is not only analytical; it is organisational. The relevant question for 2026–2030 is whether the EU can keep connecting separate fragments of information before evasion patterns stabilise. Hybrid sanctions work best when routes, beneficial ownership, payment conduits, maritime irregularities, and service dependencies are read together rather than in isolation. The criminal-enforcement framework is relevant here. The EUR-Lex summary of Directive (EU) 2024/1226 states that the directive sets minimum EU-wide rules for defining criminal offences and penalties for violation and circumvention of restrictive measures, closes loopholes, and requires cooperation among national authorities, the Commission, the European Public Prosecutor's Office, Eurojust, and Europol. This means that the EU has already recognised that sanctions effectiveness depends on institutionalised cross-body cooperation, not only on more prohibitions. For the outlook period, the strength of network mapping will therefore depend not only on intelligence quality, but on whether these cooperative channels become routine and operationally fast⁴.

A 3rd durability condition is data-sharing. Hybrid sanctions are unusual in that their targets often become visible only when separate datasets are combined: customs anomalies with shipping information, ownership opacity with transaction patterns, port access with AIS behaviour, or software-service restrictions with trade rerouting. The same EUR-Lex summary of Directive (EU) 2024/1226 makes clear that the directive is designed to make it easier to investigate and prosecute violations and circumvention, and that Member States must establish jurisdiction and cooperate with EU bodies. The broader implication is that by 2030 the sanctions regime will need not just more data, but faster circulation of relevant data across enforcement communities. Where data-sharing remains fragmented, hybrid sanctions will continue to suffer from evidentiary delay. Where it improves, loophole closure becomes more timely and more defensible. In that sense, data-sharing is not a supporting administrative technique. It is one of the core preconditions of long-run hybrid effectiveness^{5,6}.

A 4th durability condition is partner coordination. The EEAS explicitly states that sanctions work best when implemented by as many actors as possible and that the EU works with international partners, especially within the G7, to strengthen effectiveness. The oil-price-cap guidance confirms that by 15 April 2026, and every six months thereafter, the Commission will assess the functioning of the mechanism in coordination with the Price Cap Coalition. The proposed 20th package also points in the same direction: the Commission's February 2026 statement says that a full maritime-services ban for Russian crude is proposed to be enacted in coordination with like-minded partners after a G7 decision. These facts matter because the most important hybrid channels—shadow shipping, offshore finance, digital payment substitutes, and third-country facilitation—are transnational by definition. The long-run durability of hybrid sanctions will therefore depend not only on internal EU coherence, but on whether

¹ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

³ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁴ *Criminal offences and penalties for the violation of EU restrictive measures*. (2024). EUR-Lex summary of Directive (EU) 2024/1226.

⁵ Ibid.

⁶ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

coordination with partners remains operational, frequent, and specific enough to compress alternative jurisdictions and substitute infrastructures^{1,2,3}.

A 5th durability condition is proportionality and legitimacy safeguarding. Hybrid sanctions are structurally more vulnerable to contestation than direct sectoral bans because they often act against facilitators, routes, infrastructures, and mixed public–private support nodes rather than against one obvious state actor. The EEAS legality page states that EU sanctions regimes are regularly reviewed and, if necessary, amended; that listed persons may request de-listing and challenge listings before the European courts; and that the EU is committed to avoiding unintended impacts on humanitarian action, with derogations and exemptions for basic needs and medical care. These features are not ornamental. They are central to long-run durability because a network-based regime without credible review, correction, and humanitarian safeguards risks undermining the legitimacy on which continued political support depends. Between 2026 and 2030, hybrid sanctions are likely to remain sustainable only if proportionality safeguards are maintained as part of the architecture rather than treated as political concessions⁴.

This proportionality condition also matters instrumentally. One of the major risks identified in Part 6.3.3 was over-compliance and spillover to legitimate operators. If lawful actors begin to treat the sanctions regime as opaque, arbitrary, or administratively unmanageable, the result may be indiscriminate withdrawal from lawful activity, humanitarian friction, or politically corrosive market effects. The EEAS legality page and the Commission’s FAQ-and-guidance architecture together suggest a better model: continuous clarification, visible review, clear derogation logic, and the use of updating mechanisms to prevent uncertainty from hardening into structural distrust. For the period to 2030, hybrid sanctions will be more durable where pressure is paired with interpretive maintenance. In this respect, legal certainty is not a constraint on effectiveness. It is one of its conditions^{5,6}.

A 6th durability condition is feedback-based adjustment. This is perhaps the single most important operational feature of a durable hybrid regime. The oil-price-cap guidance is explicit: the Commission will assess the functioning of the mechanism, report to the Council, and propose amendments as appropriate, while earlier review may occur if justified by market, geopolitical, or other relevant developments. This is not merely a price-cap technicality. It is a model of how hybrid sanctions should function generally between 2026 and 2030. Measures should not be judged only at the moment of adoption; they must be monitored for real-world effect, for unintended consequences, for partner adherence, and for new evasion techniques. Where feedback loops are formalised and timely, hybrid measures remain adaptable. Where they are absent, sanctions may remain legally in force while operationally stale⁷.

This logic of feedback-based adjustment also implies that the EU’s future strength will depend on how well it integrates guidance updates, package amendments, enforcement experience, and market intelligence. The guidance-documents page makes this institutional possibility visible by explicitly structuring notifications and updates through topic-specific RSS feeds. The consolidated FAQs updated on 13 March 2026 show that this is not theoretical; interpretive maintenance is already occurring. The likely durable model for 2026–2030 is therefore not one in which sanctions are periodically reinvented, but one in which the regime becomes more continuously managed. Hybrid sanctions will remain effective where feedback can be converted rapidly into clarifications, annex changes, or targeted new measures. They will erode where feedback accumulates faster than institutions can process it^{8,9}.

¹ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

² European Commission. (2026, January 15). *Guidance on oil price cap*.

³ Statement by President von der Leyen on the 20th package of sanctions against Russia. (2026, February 6).

⁴ European External Action Service. (2025, January 9). *Legality of sanctions*.

⁵ Ibid.

⁶ European Commission. (2026, March 13). *Consolidated version of the FAQs on sanctions against Russia and Belarus*.

⁷ European Commission. (2026, January 15). *Guidance on oil price cap*.

⁸ European Commission. (n.d.). *Guidance documents*.

⁹ European Commission. (2026, March 13). *Consolidated version of the FAQs on sanctions against Russia and Belarus*.

Against these durability conditions stand several identifiable erosion risks. The first is update lag. If package negotiations, legal drafting, or guidance revision take too long, targeted networks gain time to professionalise new workarounds. The current state of the 20th package is instructive here. On 6 February 2026, the Commission set out proposed new measures; on 23 February 2026, the Council confirmed that work was still ongoing. There is nothing abnormal in this politically. But analytically it shows that even in a highly active regime, the tempo of institutional decision-making remains slower than the tempo of some private adaptation. Between 2026 and 2030, hybrid sanctions will lose relative strength wherever this gap widens^{1,2}.

A 2nd erosion risk is substitution into more opaque and more technologically agile channels. The February 2026 proposal already points to the direction of travel: additional shadow-fleet vessels, a proposed full maritime-services ban for Russian crude, and further restrictions linked to LNG tankers and icebreakers. The fact that these areas required further action suggests that the adaptive system had not stood still after the 19th package. This is the structural reality of hybrid sanctions. Every successful constraint on one enabling network increases the incentive to shift into another. Over 2026–2030, this means that durability will depend less on whether substitution occurs—it will—and more on whether substitute channels become steadily narrower, weaker, and more costly over time. If new substitute infrastructures stabilise faster than controls expand, erosion will set in³.

A 3rd erosion risk is partner divergence. The EEAS effectiveness page is explicit that sanctions work best when broadly implemented, and the oil-price-cap guidance assumes continuing Price Cap Coalition coordination. But this also means that divergence in partner priorities, enforcement intensity, or willingness to absorb economic costs would weaken the regime disproportionately in the hybrid domain. Maritime insurance, payment systems, third-country banks, crypto infrastructures, and trade-routing hubs do not require universal non-cooperation to become useful to Russia; they require only enough permissive space. The long-run outlook is therefore conditional. If coalition coordination remains dense and practical, hybrid measures can continue to compress that space. If it frays, the same measures may remain formally impressive but operationally porous^{4,5}.

A 4th erosion risk is compliance fatigue and uneven transmission. Hybrid sanctions rely heavily on operators, intermediaries, insurers, service providers, and other gatekeepers to screen, refuse, document, and escalate. The Commission's due-diligence guidance places substantial responsibility on operators to conduct recurring risk assessments and to remain alert to evolving techniques. That reliance is powerful when firms are capable and alert. It becomes a vulnerability when capacity is thin, when firms become desensitised by volume and complexity, or when commercial incentives begin to outweigh caution at the margins. A durable regime through 2030 will therefore require not only stricter rules, but also ongoing compliance usability. Hybrid sanctions erode when operator vigilance becomes formalistic rather than substantive^{6,7}.

A 5th erosion risk is safeguard decay. The EEAS legality page emphasises regular review of sanctions, access to de-listing, judicial challenge, humanitarian carve-outs, and avoidance of unintended impacts on the civilian population. These safeguards are part of the regime's normative foundation. If they become harder to access in practice, or if increasingly complex hybrid measures are not matched by equally clear review and exemption channels, long-run political and legal support may weaken. Hybrid sanctions can survive legal contestation and political pressure only if they remain visibly rule-bound. By

¹ Foreign Affairs Council, 23 February 2026. (2026, February 23).

² Statement by President von der Leyen on the 20th package of sanctions against Russia. (2026, February 6).

³ Ibid.

⁴ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁵ European Commission. (2026, January 15). *Guidance on oil price cap*.

⁶ European Commission. (2023). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁷ European Commission. (2026, March 13). *Consolidated version of the FAQs on sanctions against Russia and Belarus*.

2030, one of the most important tests of durability will therefore be whether the regime can continue to harden against circumvention without hardening into procedural opacity¹.

These durability conditions and erosion risks can be synthesised in the following matrix.

Table 6.3.4-1. Durability conditions and erosion risks for hybrid sanctions, 2026–2030

Dimension	Durability condition	Why it matters	Main erosion risk if weak
Update tempo	Faster package amendments, FAQ revisions, dynamic technical reviews	Shortens the life cycle of loopholes and keeps pace with adaptation	Update lag allows circumvention networks to stabilise before controls adjust
Network intelligence	Continuous mapping of facilitators, routes, payment substitutes, and service ecosystems	Keeps pressure directed at real adaptation channels rather than obsolete targets	Visible fragments are hit while functional networks migrate elsewhere
Data-sharing	Faster circulation of enforcement, customs, financial, and maritime information	Reduces evidentiary delay and supports timely intervention	Fragmented visibility produces slower, weaker, and more contestable enforcement
Partner coordination	Practical alignment with G7 and like-minded partners on shipping, finance, and anti-circumvention	Compresses alternative jurisdictions and substitute infrastructures	Divergence recreates viable external channels for rerouting and settlement
Safeguards	Review, de-listing, humanitarian derogations, and clearer interpretive guidance	Preserves legitimacy, legal defensibility, and political sustainability	Over-compliance, contestation, and procedural distrust weaken the regime
Feedback loops	Regular assessment of functioning, implementation, and unintended effects	Allows recalibration without full regime redesign	Measures remain formally in place but operationally stale

Authorship: prepared by the author on the basis of official EU institutional materials, Commission guidance, and EUR-Lex materials

Sources:

- European Commission. (2026, March 13). *Consolidated version of the FAQs on sanctions against Russia and Belarus*.
- European Commission. (n.d.). *Guidance documents*.
- European Commission. (2026, January 15). *Guidance on oil price cap*.
- European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.
- European External Action Service. (2025, January 9). *Legality of sanctions*.
- Criminal offences and penalties for the violation of EU restrictive measures. (2024). *EUR-Lex summary of Directive (EU) 2024/1226*.
- Statement by President von der Leyen on the 20th package of sanctions against Russia. (2026, February 6).
- Foreign Affairs Council, 23 February 2026. <https://www.consilium.europa.eu/en/meetings/fac/2026/02/23/>

The next analytical step is to identify recalibration triggers. In a durable hybrid regime, recalibration should not occur only after obvious failure. It should be triggered when operational indicators show that the current control mix is losing traction or producing disproportionate side effects. The oil-price-cap model offers the clearest current template. The 15 January 2026 guidance states that the Commission will assess not only implementation and expected results, but also international adherence, informal alignment, and potential impact on the Union and its Member States, and that earlier review may occur where oil-market developments, geopolitical circumstances, or other relevant considerations justify it. This is a useful prototype for hybrid sanctions more generally. Recalibration triggers should therefore

¹ European External Action Service. (2025, January 9). *Legality of sanctions*.

include not only adversary adaptation, but also coalition slippage, implementation overload, and collateral strain¹.

A first trigger should be operational saturation of existing measures. If shadow-fleet listings continue to grow but route substitution stabilises rather than deteriorates, or if newly listed nodes are rapidly replaced by functionally equivalent ones, the regime should be recalibrated toward the next layer of enabling infrastructure rather than repeating the same listing model. The 20th-package proposal itself reflects this logic: it did not simply suggest “more of the same”, but proposed movement toward a full maritime-services ban for Russian crude, further shadow-fleet listings, and new restrictions on services linked to LNG tankers and icebreakers. That suggests a practical recalibration principle for 2026–2030: when a targeted node becomes easily replaceable, the regime must move toward the infrastructure that makes replacement possible².

A 2nd trigger should be evidentiary thickening without enforcement conversion. If more intelligence, guidance, red flags, and partner information accumulate but are not translated into timely action, the regime risks becoming descriptively sophisticated and operationally passive. Directive (EU) 2024/1226 was explicitly designed to make investigation and prosecution easier and to close legal loopholes. By 2026–2030, one test of recalibration will therefore be whether new intelligence architectures are actually shortening enforcement cycles. If they are not, reform may be required not only in sanctions design but in enforcement process, data use, or institutional coordination³.

A 3rd trigger should be widening partner divergence. The more hybrid sanctions depend on coalition geography, the more recalibration will become necessary when important external jurisdictions start absorbing the functions previously blocked elsewhere. The EEAS effectiveness page points to coalition breadth as a strength; analytically, the same fact means that loss of breadth is a warning sign. If 2026–2030 brings more permissive financial conduits, shipping jurisdictions, or service hubs outside the EU–G7 orbit, the regime will need to respond with either tighter nexus-based controls, more network-based listings, or stronger incentives for alignment⁴.

A 4th trigger should be rising collateral strain. The Commission’s refined-products FAQ is explicit that design choices should avoid unintended consequences for EU supply security arising from over-compliance. The EEAS legality page similarly stresses mitigation of unintended humanitarian impacts. These sources imply an important recalibration principle for the outlook period: hybrid sanctions should be tightened when pressure weakens, but they should also be adjusted when lawful operators, humanitarian channels, or basic market functions begin to bear disproportionate friction relative to anti-circumvention benefit. This does not mean dilution of pressure. It means that durability depends on keeping friction strategically allocated rather than diffusely punitive^{5,6}.

These recalibration triggers can be summarised more systematically.

Table 6.3.4-2. Recalibration triggers for hybrid sanctions, 2026–2030

Trigger	What it would look like in practice	Likely policy response
Update lag	Evasion patterns evolve faster than packages, annexes, or FAQs are revised	Shorter review cycles, faster guidance updates, more modular amendments

¹ European Commission. (2026, January 15). *Guidance on oil price cap*.

² Statement by President von der Leyen on the 20th package of sanctions against Russia. (2026, February 6)

³ Criminal offences and penalties for the violation of EU restrictive measures. (2024). EUR-Lex summary of Directive (EU) 2024/1226.

⁴ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

⁵ European Commission. (2025, October 29). *Frequently asked questions on restrictions on import ban on refined products obtained from Russian crude oil concerning sanctions adopted following Russia’s military aggression against Ukraine*.

⁶ European External Action Service. (2025, January 9). *Legality of sanctions*.

Trigger	What it would look like in practice	Likely policy response
Replaceability of targeted nodes	Newly listed vessels, banks, exchanges, or firms are quickly replaced by equivalents	Shift targeting toward the infrastructure that enables replacement
Intelligence–enforcement gap	More mapping and red flags, but weak conversion into legal or operational action	Improve coordination, evidence handling, and institutional follow-through
Partner-coordination slippage	Alternative jurisdictions absorb shipping, finance, or service functions at scale	Tighter nexus-based controls and renewed alignment diplomacy
Collateral over-friction	Over-compliance, humanitarian delays, or lawful-supply disruption rise materially	Clarify derogations, narrow ambiguity, and refine risk targeting
Legitimacy strain	More de-listing pressure, litigation, or procedural criticism	Strengthen review, statement-of-reasons discipline, and correction mechanisms

Authorship: prepared by the author on the basis of official EU institutional materials, Commission guidance, and EUR-Lex materials.

Sources:

- European Commission. (2026, January 15). *Guidance on oil price cap*.
- European Commission. (2026, March 13). *Consolidated version of the FAQs on sanctions against Russia and Belarus*.
- European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.
- European External Action Service. (2025, January 9). *Legality of sanctions*.
- Criminal offences and penalties for the violation of EU restrictive measures. (2024). *EUR-Lex summary of Directive (EU) 2024/1226*.
- Statement by President von der Leyen on the 20th package of sanctions against Russia. (2026, February 6).
- Foreign Affairs Council, 23 February 2026. <https://www.consilium.europa.eu/en/meetings/fac/2026/02/23/>

The overall outlook is therefore cautiously favourable, but conditional. Hybrid measures appear better placed than more static sanction forms to remain relevant through 2030 because they can be layered, updated, and redirected at new enabling nodes without requiring total regime redesign. The evidence available as of March 2026 already points in that direction: the legal chassis remains stable, package work continues, technical review mechanisms exist, guidance updates are frequent, and the Union has formalised both safeguard logic and stronger cross-authority enforcement cooperation. But none of these conditions is self-executing. The durability of hybrid sanctions will depend on whether the regime can keep combining speed with proportionality, intelligence with usability, and pressure with legitimacy. In practical terms, the most durable version of the regime will be one that behaves less like a static list of prohibitions and more like a continually managed system of adaptive constraint^{1,2,3,4}.

A final conclusion follows. Between 2026 and 2030, hybrid sanctions are likely to remain one of the most durable elements of the EU regime against Russia only if six conditions are maintained together: faster update cycles, continuous network mapping, stronger data-sharing, tighter partner coordination, credible proportionality safeguards, and feedback-based recalibration. If these conditions hold, hybrid measures can continue closing loopholes without full regime redesign and can preserve their comparative advantage as the most agile part of the sanctions' architecture. If they weaken, the likely result will not be the formal collapse of sanctions but gradual erosion: more substitution, more opacity, more uneven enforcement, and more friction falling on lawful rather than targeted actors. The decisive issue for the outlook period is therefore not whether hybrid sanctions can survive as legal instruments.

¹ European Commission. (2026, March 13). *Consolidated version of the FAQs on sanctions against Russia and Belarus*.

² European Commission. (2026, January 15). *Guidance on oil price cap*.

³ European External Action Service. (2025, January 9). *Legality of sanctions*.

⁴ Criminal offences and penalties for the violation of EU restrictive measures. (2024). *EUR-Lex summary of Directive (EU) 2024/1226*.

It is whether they can remain operationally faster and institutionally smarter than the networks they are designed to constrain^{1,2,3}.

¹ Statement by President von der Leyen on the 20th package of sanctions against Russia. (2026, February 6).

² Foreign Affairs Council, 23 February 2026. (2026, February 23).

³ European External Action Service. (2025, January 9). *Increasing the effectiveness of sanctions*.

PART SEVEN

Sanctions Compliance Architecture

7.1. Compliance as a Cornerstone of Sanctions Policy

7.1.1. Compliance as the Operational Transmission Mechanism of Sanctions

Compliance should be understood not as a secondary administrative appendage to sanctions policy, but as the operational mechanism through which restrictive measures are translated from legal text into market behaviour. A sanctions regulation, however precise in doctrinal terms, does not in itself block a payment, stop a container, invalidate an insurance renewal, prevent a letter of credit, or interrupt access to a commercial platform. Those effects emerge only when regulated actors embed the legal prohibition into screening systems, customer-onboarding practices, routing controls, contractual decision-making, and escalation procedures. In that sense, compliance performs the same function in sanctions governance that transmission systems perform in engineering: it converts centrally adopted commands into distributed operational effects across a large and heterogeneous network of actors. This is especially important in the EU context, where sanctions frequently rely on direct applicability of regulations but practical implementation is dispersed across banks, exporters, customs brokers, shipowners, insurers, advisers, and digital intermediaries. The practical force of sanctions therefore depends not only on the breadth of listings or prohibitions, but on the extent to which these actors recognise risk, identify prohibited exposure, and adjust behaviour before a violation materialises. Compliance is thus *ex ante* as much as *ex post*. It is a behavioural governance mechanism, not merely an enforcement afterthought. That is why modern sanctions should be analysed not only as law and not only as coercion, but as law mediated through organisational controls. In operational terms, sanctions begin to matter when compliance systems begin to function^{1,2}.

This distinction between formal prohibition and operational effect is fundamental for any serious evaluation of sanctions against Russia. A formal prohibition exists at the level of the legal norm, the *Official Journal*, and the consolidated sanctions framework. Operational effect exists when the prohibition is converted into an interruptive event in the life of a transaction, service relationship, or commercial strategy. A bank does not respond to sanctions in the abstract; it responds through customer due diligence, sanctions-list screening, name matching, ownership-and-control analysis, transaction monitoring, and refusal or escalation decisions. An exporter does not comply by acknowledging the existence of a Council Regulation; it complies by redesigning sales controls, end-user checks, route assessment, document scrutiny, and post-shipment review. An insurer does not implement sanctions by endorsing the policy objective; it does so by declining cover, refusing renewal, reclassifying vessel exposure, or enhancing underwriting due diligence. The same logic applies to freight forwarders, consulting firms, software vendors, payment intermediaries, and online platforms. In each case, the legal rule is only the normative starting point, while compliance is the institutional process through which the rule becomes economically consequential. This means that a sanctions regime may appear extensive on paper and still underperform if the transmission layer is weak, fragmented, or

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

² European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions.*

inconsistent. Conversely, a regime with fewer headline measures may exert strong pressure if its compliance conversion rate is high across relevant sectors^{1,2,3}.

A useful way to conceptualise compliance is as a chain of translation running from legal designation to operational blockage. At the first stage, a political and legal authority identifies a target, activity, service, sector, or class of transactions for restriction. At the second stage, that decision is formalised through legal acts, lists, definitions, and interpretative materials. At the third stage, regulated and exposed private actors ingest those rules into internal systems, whether through data feeds, software updates, manual controls, policy revisions, or legal review. At the fourth stage, individual counterparties, vessels, consignments, or payment messages are screened against those systems. At the fifth stage, the private actor decides whether to proceed, block, freeze, reject, report, seek a licence, or escalate the matter internally and externally. At the sixth stage, the target experiences a material constraint, not because the law existed in theory, but because access to finance, logistics, insurance, technology, or intermediation has actually been denied or delayed. At the seventh stage, the wider market internalises the risk signal and begins to pre-emptively avoid similar exposure. This cumulative sequence shows that compliance is not an incidental technical layer. It is the central transmission channel through which sanctions acquire behavioural reality across decentralised systems of exchange^{4,5,6}.

The distributed character of sanctions implementation explains why compliance cannot be reduced to state enforcement alone. Public authorities adopt, interpret, coordinate, and in some cases penalise, but they do not personally review every customer file, shipping instruction, correspondent banking message, or export-control query. The daily conversion of sanctions law into operational restraint is performed overwhelmingly by firms and organisations that sit at the points where cross-border activity is initiated, routed, financed, documented, or insured. This makes compliance a form of delegated governance, although not in the sense of voluntary self-regulation. The delegation is structured by law, incentivised by liability exposure, and reinforced by reputational, contractual, and supervisory pressure. Private actors become the first line of detection, the first line of interruption, and often the first line of evidential preservation. That is why the European Parliament has emphasised that implementation heavily relies on the private sector and that the Union must provide adequate guidance to economic operators if sanctions are to be applied effectively. The same principle appears in partner jurisdictions, where general sanctions guidance describes firms as central to implementation and, in some contexts, the first line of defence against circumvention. The implication is analytically important: the sanctions regime is neither purely public nor purely private in operation. It is a hybrid governance system in which public legality depends on private transmission capacity^{7,8,9}.

Within the EU, the importance of compliance as a transmission mechanism is reflected in the growth of an increasingly dense guidance infrastructure. The Commission maintains a sanctions resources architecture that includes consolidated FAQs, the financial sanctions consolidated list, the EU sanctions map, the sanctions helpdesk, and the whistleblower tool. This institutional ecosystem exists because legal acts alone are insufficient for uniform implementation across complex sectors and Member States. Operators require not only knowledge of what is prohibited, but workable assumptions about ownership, control, due diligence expectations, red flags, reporting channels, and the relation

¹ European Commission. (2024a, February 19). *Guidance on due diligence*.

² HM Treasury, Office of Financial Sanctions Implementation. (2026a, January 28). *UK financial sanctions general guidance*.

³ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

⁴ European Commission. (2023a, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ European Commission. (2026a, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁶ HM Treasury, Office of Financial Sanctions Implementation. (2026a, January 28). *UK financial sanctions general guidance*.

⁷ Ibid.

⁸ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁹ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

between general rules and sector-specific risk. The consolidated FAQ architecture performs a standardising function by providing a common interpretative frame for authorities, operators, and citizens. The sanctions helpdesk lowers practical barriers to compliance, especially for firms that lack deep in-house sanctions capability. The whistleblower tool expands the informational surface through which suspected violations may reach authorities. The consolidated list improves the machine-readable and operational usability of listing decisions. Taken together, these instruments reveal that the Union itself treats compliance as a core functional condition of sanctions effectiveness, not as a peripheral technical problem^{1,2,3}.

A central feature of modern sanctions compliance is that it is risk-based rather than purely formalistic. The Commission's due-diligence guidance explicitly states that there is no one-size-fits-all model and that each operator must develop, implement, and routinely update a compliance programme calibrated to its business model, sectoral exposure, geography, and risk assessment. This is a major analytical point because it means sanctions implementation is not exhausted by mechanical list-checking. A firm trading low-risk goods within a limited jurisdictional footprint does not face the same exposure as a multinational bank, maritime insurer, dual-use exporter, or freight operator active in re-export corridors. Risk-based compliance therefore requires proportionality of controls, but not passivity. It demands the capacity to identify where the business is exposed to designated persons, opaque ownership structures, suspicious intermediaries, high-priority items, or diversion-sensitive routes. It also requires regular updating, because circumvention patterns evolve faster than static manuals. In this sense, compliance is dynamic and learning-based. It is closest to a system of operational vigilance structured by law, rather than a box-ticking exercise organised by formality. Where this risk-based logic is absent, the transmission of sanctions becomes either under-inclusive, through false negatives, or over-inclusive, through indiscriminate de-risking^{4,5,6,7}.

Table 7.1.1-1. Sanctions Compliance as a Transmission Chain from Norm to Behaviour

Stage of the chain	Principal carrier	Operational result
Legal designation or prohibition	EU institutions / partner governments	A restrictive norm is formally created
Interpretative clarification	Commission FAQs, guidance, best-practice materials	Operators receive usable assumptions for implementation
Data operationalisation	Consolidated lists, internal systems, screening tools	Legal categories become machine-readable or workflow-readable
Organisational embedding	Compliance teams, legal departments, management approval	Policies, escalation channels, and review thresholds are set
Transaction-level screening	Banks, exporters, insurers, logistics firms, platforms	Counterparties, goods, routes, and services are tested against risk
Decision and interruption	Front-line business units with compliance oversight	Freeze, reject, report, escalate, licence-check, or terminate
Market feedback and deterrence	Wider ecosystem of counterparties and intermediaries	Risk avoidance spreads beyond individual blocked cases

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

² European Commission. (2025, November 17; last updated March 13, 2026). *Overview of sanctions and related resources.*

³ European Commission. (n.d.). *EU sanctions whistleblower tool.*

⁴ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*

⁵ European Commission. (2024, February 19). *Guidance on due diligence.*

⁶ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items.*

⁷ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments.*

Authorship: prepared by the author on the basis of official EU institutional materials, United Kingdom' and United States' materials.

Sources:

- European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*
- European Commission. (2024, February 19). *Guidance on due diligence.*
- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions.*
- HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance.*
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments.*

The behavioural significance of compliance lies not only in its ability to stop prohibited activity, but also in its capacity to reshape incentives before enforcement action becomes necessary. Once firms internalise the possibility of exposure, they begin to re-price risk, tighten onboarding, shorten acceptable counterparty chains, demand more documentary evidence, and reject ambiguous transactions at earlier stages. This anticipatory adjustment is one of the main reasons why sanctions can generate effects broader than the number of prosecuted or publicly detected violations might suggest. It turns legal rules into a climate of constraint. A customer associated with a high-risk jurisdiction, an unusual routing pattern, or a poorly explained ownership structure may find that commercial access narrows even without a formal designation. This does not mean that all such refusals are normatively desirable, because over-compliance is a real issue to be analysed separately. It means that compliance operates as a preventive system that alters expected behaviour at scale. In sanctions policy against Russia, this preventive function is especially important because many relevant transactions are time-sensitive, cross-border, and reliant on service ecosystems that can be interrupted before the target acquires the desired economic advantage. The earlier the interruption occurs, the greater the coercive efficiency of the regime. Compliance therefore converts sanctions into a system of practical friction, not just legal prohibition^{1,2,3}.

In the financial sphere, the transmission role of compliance is particularly visible because banking systems sit at the centre of payment execution, liquidity access, correspondent relations, and settlement reliability. Financial sanctions are made real through customer due diligence, sanctions screening, transaction monitoring, ownership-and-control analysis, internal escalation, suspicious-activity logic, and licensing checks. The effect is not limited to the freezing of listed assets. It also encompasses the refusal of account services, heightened scrutiny of payment messages, rejection of trade-finance instruments, and broader reluctance to intermediate transactions linked to sanctioned sectors or high-risk routes. Because banks occupy a nodal position in the wider economy, their compliance decisions can multiply the reach of legal measures beyond the financial sector narrowly defined. A supplier may have the goods, an insurer may be willing in principle, and a customer may exist, but if the payment chain fails, the transaction may not proceed. This is why financial institutions are often the most consequential private transmitters of sanctions pressure. The same logic explains why partner jurisdictions devote extensive guidance to financial sanctions implementation and why senior-management commitment, resourcing, and compliance authority are treated as essential components of an effective programme. In operational reality, a sanctions regime without disciplined banking compliance is a regime with weak circulatory control. The financial system is therefore not merely one

¹ European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks.*

² European Commission. (2024, February 19). *Guidance on due diligence.*

³ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions.*

sector among others; it is one of the main conduits through which sanctions law becomes material constraint^{1,2,3}.

The same transmission logic applies in trade and export-control settings, although the mechanics differ from banking. Here compliance acts through export classification, counterparty vetting, end-use and end-user checks, route scrutiny, document review, contract clauses, and post-sale controls. The Commission's due-diligence materials and Russia circumvention guidance make clear that operators must assess business partners, transactions, and goods, and must pay attention to circumvention red flags rather than treating formal paperwork as self-sufficient proof of legitimacy. This is critical in the Russia context because diversion often occurs through third-country intermediaries, layered logistics, or disguised end-users rather than through obviously direct shipments. Export controls and sanctions therefore depend on firms asking whether the transaction makes commercial sense, whether the routing is plausible, whether the customer profile matches the goods, and whether the documentation withstands scrutiny. Compliance in this sector is not a clerical function. It is an investigative screening function embedded within ordinary business processes. The release of G7 industry guidance with heightened-risk items, updated red flags, best practices, and public screening resources shows that authorities expect implementation to occur through operational judgement at the level of firms, not solely through border interception by the state. The exporter, distributor, freight forwarder, and service provider collectively become the mechanism that prevents restricted goods from reaching Russian military-industrial use. In that sense, trade compliance is one of the clearest examples of sanctions as decentralised control exercised through private operational checkpoints^{4,5,6,7}.

Beneficial ownership and ownership-and-control analysis illustrate especially well why compliance is the real transmission mechanism rather than a mere administrative annex. A sanctions list may identify a designated person by name, but the economically significant question is often whether a non-listed entity is in fact owned or controlled by that person or operates for that person's benefit. The compliance challenge is therefore not exhausted by name matching. It requires corporate-structure analysis, document verification, control-rights review, scrutiny of indirect holdings, and judgement about *de facto* influence. FATF guidance stresses that stronger beneficial-ownership transparency is essential because sanctions evaders, money launderers, and corrupt actors frequently hide behind complex legal structures, shell companies, and trusts. Partner-jurisdiction experience reinforces the same lesson. The UK's 2026 ownership-and-control review explicitly states that firms are expected, and required by law, to assess ownership and control and that industry plays a first-line defensive role in ensuring sanctions are implemented robustly and effectively. This is operationally decisive because many Russian-linked commercial networks do not rely on overtly Russian counterparties, but on layered corporate vehicles designed to fragment visibility and dilute apparent connection. Where ownership-and-control analysis is weak, the legal measure remains formally present but economically porous. Where it is strong, sanctions penetrate beyond the visible list and reach the real structure of control^{8,9,10}.

Anti-circumvention policy further confirms that compliance is not merely a way of obeying sanctions, but the main means of preserving their effect under conditions of adaptation. Russian circumvention

¹ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*

³ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*

⁴ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ European Commission. (2024, February 19). *Guidance on due diligence*.

⁶ European Commission. (2024, September 24). *Sanctions vis-à-vis Russia: Commission publishes G7 Industry Guidance on preventing sanctions evasion*.

⁷ U.S. Department of Commerce, Bureau of Industry and Security. (2024, February 23). *Common High Priority Items List (CHPL)*.

⁸ Financial Action Task Force. (2024, March 11). *Guidance on Beneficial Ownership and Transparency of Legal Arrangements*.

⁹ HM Treasury, Office of Financial Sanctions Implementation. (2026b, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.

¹⁰ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

efforts have become more elaborate, opaquer, and more dependent on third-country intermediaries, layered service provision, and re-export chains. The Commission's guidance was issued precisely because the Union recognised that operators need tools to identify, assess, and understand circumvention risks in real time. Those tools include strategic risk assessment, enhanced due diligence for higher-risk exposure, and red-flag awareness concerning customers, transactions, routing, and goods. The 2024 G7 industry guidance goes further by combining heightened-risk item lists, updated red flags, best practices, and public screening resources. This shows that sanctions enforcement is increasingly typology-based rather than purely rule-recitation-based. In other words, operators are expected to look for patterns of evasion, not merely direct textual matches. The transmission mechanism of sanctions thus becomes partially intelligence-like in character, although still constrained by legal and evidential discipline. Compliance turns anti-circumvention from a declaratory political objective into a distributed pattern-recognition effort embedded in private operations. Without such compliance adaptation, sanctions lose force as soon as targets learn to route around them^{1,2,3,4}.

Another reason why compliance must be treated as the operational transmission layer is that sanctions implementation depends heavily on information architecture. A prohibition is useful only to the extent that operators can access relevant data, map it correctly, and integrate it into decision-making within operational time constraints. The Commission's consolidated lists, FAQs, helpdesk, and whistleblower mechanism are all instruments for reducing information failure. The consolidated list improves accessibility and operational matching. FAQs reduce interpretative asymmetry. The helpdesk lowers the entry barrier for firms, especially smaller operators, that may otherwise misapply or under-apply sanctions due to insufficient capacity. The whistleblower tool expands the system's ability to capture violation signals that would not emerge through routine compliance monitoring alone. This informational dimension matters because sanctions failure often arises not from open opposition to the policy, but from ambiguity, fragmentation, weak visibility, or slow data conversion. Compliance is the channel through which information becomes action, and action becomes interruption. In that sense, sanctions governance is partly an information-governance problem, and compliance is its main applied interface^{5,6,7,8}.

At the organisational level, effective transmission depends on whether sanctions compliance is embedded into governance rather than isolated in a marginal support unit. The OFAC framework is especially useful conceptually here because it identifies management commitment, risk assessment, internal controls, testing and auditing, and training as essential components of a sanctions' compliance programme. Although the report focuses on the EU track, this logic is broadly transferable and helps clarify why operational effect varies across firms exposed to similar legal rules. If senior management does not allocate resources, if compliance lacks authority, if business units can bypass controls, or if staff do not understand exposure patterns, the legal rule will remain weakly transmitted. Conversely, well-resourced compliance can identify exposure early, preserve audit trails, support defensible decisions, and align commercial practice with legal obligations. The transmission mechanism is therefore institutional before it is technological. Software matters, but only when it sits inside a governance structure that authorises escalation, tolerates transaction delay where needed, and values legal-operational discipline over short-term commercial convenience. This is why mature sanctions

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.

³ European Commission. (2024, September 24). *Sanctions vis-à-vis Russia: Commission publishes G7 Industry Guidance on preventing sanctions evasion*.

⁴ U.S. Department of Commerce, Bureau of Industry and Security. (2024, February 23). *Common High Priority Items List (CHPL)*.

⁵ European Commission. (2025b, November 17; last updated March 13, 2026). *Overview of sanctions and related resources*.

⁶ European Commission. (n.d.). *EU sanctions whistleblower tool*.

⁷ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁸ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

implementation is inseparable from corporate governance quality. Compliance is not just an act of checking; it is an act of organisational steering^{1,2,3}.

The relationship between compliance and enforcement should also be understood correctly. Compliance does not replace enforcement, but enforcement without compliance is economically shallow and administratively expensive. Public authorities cannot detect all breaches directly, particularly in complex cross-border systems involving intermediaries, dual-use goods, fragmented services, or layered ownership structures. They therefore rely heavily on firms to generate the first wave of restraint, reporting, record-keeping, and suspicious-pattern recognition. At the same time, compliance requires credible enforcement to avoid degenerating into selective convenience or symbolic procedure. The recent EU criminalisation initiative concerning violations of Union restrictive measures shows that the Union itself recognises the need to reinforce the punitive and investigative back end of the regime. Yet even criminalisation does not by itself generate operational effect. Its significance lies in strengthening the incentives under which firms maintain robust controls and in improving the consequences of deliberate evasion. Thus, enforcement is the coercive backstop, while compliance is the everyday transmission medium. A serious architecture requires both, but their functions are distinct. The law bites continuously through compliance and episodically through enforcement^{4,5,6}.

From the perspective of effectiveness measurement, this has an important implication. The success of sanctions cannot be inferred solely from the number of legal acts adopted, the number of persons listed, or even the number of enforcement cases concluded. It must also be assessed in terms of whether compliance systems are changing behaviour in the desired zones of exposure. Relevant indicators therefore include the quality of screening, the speed of list implementation, the reliability of ownership checks, the rate of escalations, the responsiveness to new red flags, the usability of guidance, and the capacity to preserve and share relevant information. This also means that apparent smoothness in trade or financial data may conceal intensive compliance friction beneath the surface. Transactions may be delayed, repriced, restructured, abandoned, or rerouted long before they appear in formal breach statistics. The analytical mistake is to treat enforcement outputs as the only visible trace of sanctions implementation. In reality, many of the most important sanctions effects occur in the compliance layer and remain only partially visible through aggregate enforcement data. For the Russian case, where adaptation and circumvention are substantial, this hidden layer is particularly consequential. A credible assessment of sanctions must therefore examine the quality of compliance transmission, not merely the breadth of legal drafting^{7,8,9}.

The Russian case also demonstrates why compliance should be treated as a pressure multiplier against a large adaptive state rather than as a narrow legal-administrative topic. Russia has not depended solely on direct bilateral transactions with the EU, but increasingly on intermediary jurisdictions, disguised procurement chains, layered logistics, and alternative service ecosystems. Under such conditions, a sanction measure that remains at the level of formal prohibition can be bypassed with relative ease. A measure that is operationalised through diligent screening, routing scrutiny, beneficial-ownership analysis, and typology-based detection becomes far harder to evade. Compliance therefore multiplies the reach of legal restrictions by extending them into the spaces where adaptation actually occurs. It follows circumvention into the grey zones of practical commerce. This is precisely why guidance

¹ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

² HM Treasury, Office of Financial Sanctions Implementation. (2026a, January 28). *UK financial sanctions general guidance*.

³ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁴ European Commission. (2024, May 17). *New EU rules criminalising the violation of EU sanctions enter into force*.

⁵ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁶ HM Treasury, Office of Financial Sanctions Implementation. (2026a, January 28). *UK financial sanctions general guidance*.

⁷ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁸ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁹ European Commission. (2024, February 19). *Guidance on due diligence*.

documents now focus so heavily on red flags, strategic risk assessment, high-priority items, and successive due-diligence steps. The policy object is no longer just the obvious prohibited transaction. It is the broader ecosystem of risk through which Russian-linked actors attempt to reconstruct access to finance, goods, and services. Compliance is the mechanism that allows sanctions to operate within that ecosystem rather than outside it^{1,2,3,4}.

At the same time, it is necessary to recognise that the very strength of compliance as a transmission mechanism creates tensions that later sections of this report will address in more detail. When private actors carry substantial implementation responsibility, they may respond not only with accurate risk control but also with defensive caution. Ambiguous rules, opaque ownership, tight deadlines, and high penalty exposure may encourage broader refusal than the law strictly requires. This phenomenon does not negate the centrality of compliance. On the contrary, it confirms it. Over-compliance matters precisely because compliance is the mechanism through which sanctions acquire practical reach. If compliance were marginal, its excesses would not have systemic consequences. Because it is central, both under-compliance and over-compliance affect the real distribution of pressure, legality, and operational burden. The correct policy conclusion is therefore not to weaken compliance, but to govern it better through clearer drafting, better guidance, and more coherent supervisory expectations. Transmission quality, not merely transmission intensity, is the relevant standard^{5,6,7}.

Compliance also occupies an important boundary position between the legal and hybrid dimensions of the sanctions' regime. Hybrid sanctions, as argued in Part Six, operate through cross-domain disruption of enabling systems, intermediary networks, and adaptive infrastructures. Yet those hybrid measures often become effective only when compliance functions translate them into concrete denials of service, refusals of cover, route disruption, enhanced scrutiny, or partner disengagement. In that sense, compliance is not itself identical to the hybrid instrument, but it is often the mechanism through which hybrid pressure is realised. The distinction is analytically necessary. Hybrid design identifies the pressure zone, while compliance determines whether the pressure reaches it operationally. This is especially evident in areas such as shadow-fleet exposure, intermediary jurisdictions, high-priority goods, and network-based facilitation structures. The stronger the compliance conversion layer, the more difficult it becomes for adaptive Russian-linked networks to exploit fragmentation between legal design and market execution. Thus, compliance should be treated as a cross-cutting multiplier of other sanctions categories, even though it remains a distinct analytical dimension in its right^{8,9}.

For Brussels policy analysis, the most important strategic conclusion is that compliance determines whether sanctions remain governable under conditions of prolonged confrontation. The question for 2026–2030 is no longer simply whether the Union can adopt additional packages, but whether the accumulated sanctions architecture can be converted into consistent and sustainable operational practice across sectors and Member States. That depends on the usability of legal acts, the speed of updates, the accessibility of guidance, the quality of risk communication, and the ability of private operators to absorb obligations without collapsing into paralysis or indifference. The Commission's guidance ecosystem, the helpdesk model, the consolidated FAQ structure, and the emphasis on

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.

³ European Commission. (2024, September 24). *Sanctions vis-à-vis Russia: Commission publishes G7 Industry Guidance on preventing sanctions evasion*.

⁴ U.S. Department of Commerce, Bureau of Industry and Security. (2024, February 23). *Common High Priority Items List (CHPL)*.

⁵ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁶ HM Treasury, Office of Financial Sanctions Implementation. (2026a, January 28). *UK financial sanctions general guidance*.

⁷ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁸ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

enhanced due diligence all point in the same direction. Sanctions policy is now a field of continuous operational governance, not a sequence of isolated political announcements. Compliance is the main medium through which this continuous governance is exercised. It links law to markets, policy to transactions, and geopolitical intent to everyday commercial behaviour. Without it, sanctions remain declaratory. With it, they become a durable regime of structured constraint^{1,2,3,4}.

The point can therefore be stated in a final and concentrated form. Compliance is the operational transmission mechanism of sanctions because it is the institutional process that carries restrictive norms from the level of legal adoption to the level of distributed behavioural modification. It performs this function through screening, due diligence, ownership analysis, escalation, refusal, reporting, licensing checks, and the continual updating of risk-sensitive controls. It is exercised by private actors, but under public law and in interaction with public authorities. It produces both direct interruption and anticipatory deterrence. It is indispensable in finance, trade, logistics, insurance, and service provision, and it becomes even more central when circumvention is adaptive and networked, as in the Russia case. It is supported by guidance, lists, helpdesks, and reporting tools because the Union itself recognises that sanctions only work when operators can convert rules into decisions. It also requires credible enforcement and better data architecture, because transmission weakens where certainty, capacity, or incentives are poor. For all these reasons, compliance should not be described as a technical supplement to sanctions policy. It is one of the principal mechanisms through which sanctions acquire real-world force^{5,6,7,8,9}.

7.1.2. The Governance Logic of Compliance: From Legal Obligation to Risk-Based Control

The governance logic of sanctions compliance begins with a basic but often misunderstood point: a legal prohibition does not automatically generate controlled behaviour. It generates an obligation, but the obligation must still be interpreted, internalised, operationalised, and monitored within the institutions that actually move money, goods, services, data, and contractual commitments across borders. For that reason, compliance governance should be analysed as the architecture that converts a norm into a control environment. The transition is not linear in a purely formal sense, because firms do not simply “apply the law” as a judge would. They construct risk-sensitive procedures that allow the law to be recognised at decision points where transactions are initiated, approved, processed, modified, delayed, escalated, or rejected. In sanctions policy, this means that the object of governance is not only legal obedience but operational foresight. It is not enough to know that a transaction would be unlawful if completed. The system must be designed so that the transaction is identified before completion, paused if necessary, assessed against available evidence, and recorded in a manner that supports defensibility and possible supervisory review. This is why modern sanctions compliance is built less around abstract prohibition and more around organised anticipatory control. The legal act remains the starting point, but the practical regime is a sequence of risk-based governance decisions embedded in ordinary commercial processes. In the EU and partner practice alike, guidance materials increasingly reflect

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it.*

² European Commission. (2025, November 17; last updated March 13, 2026). *Overview of sanctions and related resources.*

³ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions.*

⁴ European Commission. (2024, February 19). *Guidance on due diligence.*

⁵ Ibid.

⁶ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*

⁷ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it.*

⁸ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions.*

⁹ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance.*

exactly this model, emphasising structured due diligence, internal controls, escalation, and documentation rather than mere awareness of restrictive measures^{1,2,3}.

This governance logic is best understood as a translation from rule-based obligation to risk-based control. Rule-based obligation answers the question of what is forbidden, restricted, licensed, exempted, or reportable. Risk-based control answers a different question: where, in the firm's activities, is exposure most likely to arise, and what organisational tools are necessary to detect and manage it? The second question is not derivative in a trivial sense. It requires a firm to assess business lines, jurisdictions, customer categories, product types, distribution channels, intermediaries, payment flows, transport routes, service interfaces, and document reliability. The OFAC compliance framework formulates this explicitly by placing risk assessment alongside management commitment, internal controls, testing, and training as essential components of an effective sanctions' compliance programme. The Commission's due-diligence guidance adopts the same basic logic, stating that there is no one-size-fits-all approach and that each operator must calibrate its controls to its own sanctions' exposure. This means that governance in the sanctions field is not exhausted by legal classification. It includes organisational mapping, prioritisation, and periodic recalibration. Firms are expected to identify their own vulnerability points and to design controls proportionate to those points. A mature compliance system therefore behaves less like a static legal manual and more like a structured risk-governance framework. That is the deeper logic by which sanctions move from formal obligation to workable control^{4,5}.

Due diligence is the first major institutional expression of that transition. In legal terms, due diligence is not always described as an autonomous sanction. In governance terms, however, it is the practical medium through which exposure is investigated before an irreversible step is taken. The Commission's Russia-related guidance and due-diligence materials make clear that operators are expected to examine business partners, transactions, goods, and routes with a degree of seriousness proportionate to the risk at issue. This means verifying identity, commercial rationale, ownership structure, delivery pathways, end-use claims, and the consistency of accompanying documents. Due diligence therefore functions as a pre-transactional filter and as a continuing discipline of verification. It is especially important where sanctions evasion relies on fragmented chains in which no single data point appears conclusive in isolation. A legitimate-looking invoice may sit beside an implausible shipping route, an apparently acceptable customer may sit within a suspicious ownership structure, and a non-listed counterparty may be acting for the benefit of a designated person. Due diligence is the process by which those fragments are brought into analytical relation. Without it, the legal obligation remains too coarse to govern complex transactions. With it, the firm creates an evidence-based basis for acting before exposure crystallises into breach^{6,7,8}.

Screening is the second major control layer, but it should not be reduced to simplistic list matching. In many organisations, screening begins with basic automated comparison of names, identifiers, vessel information, account data, or other structured fields against sanctions lists. Yet the governance value of screening depends on design choices that go far beyond software acquisition. A screening system must reflect the frequency of updates, the logic of fuzzy matching, the treatment of transliteration differences, the handling of false positives, the relationship between customer screening and transaction screening, and the authority to halt processing while an alert is reviewed. Screening is therefore not only a technical

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments.*

³ European Commission. (2024, February 19). *Guidance on due diligence.*

⁴ Ibid.

⁵ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments.*

⁶ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*

⁷ European Commission. (2024, February 19). *Guidance on due diligence.*

⁸ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items.*

instrument but an institutional workflow. It requires governance over thresholds, responsibilities, review quality, and escalation timing. OFSI's 2026 general guidance and OFAC's compliance framework both point toward this broader understanding by linking screening to compliance obligations, ownership analysis, reporting, and internal controls. The same logic appears in EU practice, where consolidated lists and consolidated FAQs exist precisely because screening requires usable, accessible, updatable information rather than merely formal acts in the *Official Journal*. Screening, then, is the front-end control through which a broad legal regime becomes operationally searchable. But its quality depends on the governance arrangements around it, not simply on its existence^{1,2,3}.

Internal controls are what transform screening and due diligence from isolated actions into a durable compliance system. A firm may possess a list-screening tool and still remain poorly governed if there is no clear policy architecture defining who screens, when screening occurs, what documentation must be collected, what constitutes an alert, who can override a warning, and what happens when relevant information is incomplete. OFAC's framework is especially influential here because it formalises the idea that internal controls are an indispensable pillar of sanctions governance. Controls are needed to ensure that policies are not merely aspirational, that process ownership is assigned, that gaps are tested, and that business operations do not silently bypass compliance. In the EU environment, this logic is reinforced by the Commission's insistence on tailored due diligence and by the growing body of FAQs designed to reduce interpretative inconsistency at the operational level. Internal controls also create temporal discipline. They define at what stage of a customer relationship or transaction the review must occur, how often screening must be refreshed, and what events trigger enhanced review. Such controls turn broad sanctions rules into repeatable and auditable conduct. Without them, the governance of compliance remains discretionary and fragile. With them, legal obligation is converted into institutional routine^{4,5,6}.

Escalation procedures form the next indispensable layer because sanctions risk often presents itself through ambiguity rather than certainty. A transaction may not obviously match a listed person, but the ownership structure may be opaque, the route commercially implausible, the goods diversion-sensitive, or the document package internally inconsistent. In such cases, governance must ensure that uncertainty does not default automatically to transaction completion. An effective compliance system therefore requires escalation channels that move a case from front-line operations to legal, compliance, senior management, or specialised review when defined triggers are met. Escalation is not a sign of failure. It is the mechanism by which organisations preserve decision quality under uncertainty. It prevents business units from resolving complex sanctions questions through speed, habit, or commercial pressure alone. It also helps distinguish between manageable risk and unacceptable exposure. OFAC's framework, as well as partner guidance in the UK, implicitly relies on this logic because risk-based control cannot function if every alert is either ignored at the front line or paralysed indefinitely without authority to decide. Escalation creates structured judgement. It is the governance bridge between automated signals and defensible human decision-making^{7,8}.

Licensing checks illustrate particularly clearly how sanctions governance moves beyond prohibition into calibrated control. Many sanctions regimes contain exemptions, derogations, specific licences, general licences, or other legal pathways through which conduct that would otherwise be restricted may

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

² HM Treasury, Office of Financial Sanctions Implementation. (2026a, January 28). *UK financial sanctions general guidance*.

³ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

⁴ European Commission. (2024, February 19). *Guidance on due diligence*.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁶ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

⁷ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

⁸ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

proceed under defined conditions. This does not weaken the governance model. On the contrary, it complicates it in a legally significant way. Firms must not only know what is prohibited; they must know when a transaction may be authorised, by whom, on what evidence, with what record-keeping duties, and subject to what limits. OFSI's general guidance expressly positions licensing and compliance issues together, while its annual review emphasises the operational significance of improving transparency and responsiveness in licensing. In the EU context, the extensive consolidated FAQs perform a parallel function by clarifying how derogations and permissions should be interpreted under the Russia-related regulations. Licensing checks therefore become a core governance activity. They ensure that legitimate humanitarian, legal, contractual, or administrative exceptions are processed through lawful channels rather than through informal guesswork or excessive refusal. A mature compliance architecture must therefore distinguish between prohibited, permissible, licensable, and reportable conduct. That distinction is one of the places where legal obligation most visibly becomes risk-based operational control^{1,2,3}.

Beneficial-ownership verification is perhaps the clearest example of why risk-based control cannot stop at formal counterparties. In many sanctions-related transactions, the immediate legal person appearing in a contract, invoice, account record, or shipping document is not the economically relevant actor. The real question is whether that entity is owned, controlled, or significantly influenced by a designated person or by a network established to conceal sanctions nexus. FATF's work on beneficial ownership and transparency directly addresses this problem by emphasising that opaque corporate and legal arrangements enable sanctions evaders and other illicit actors to obscure control and beneficial interest. OFSI's 2026 ownership-and-control review underscores the same point, making explicit that firms are expected by law to assess ownership and control rather than relying only on surface-level list screening. Governance in this field therefore requires corporate-structure analysis, review of shareholder information, scrutiny of trusts and nominees where relevant, examination of indirect holdings, and structured judgement about de facto influence. This is not merely a legal nicety. It is the means by which compliance reaches beyond nominal legal form into actual control reality. For Russia-related exposure, this is decisive because circumvention frequently depends on layered, cross-jurisdictional, and partially concealed structures. A compliance system that cannot perform meaningful beneficial-ownership verification is not risk-based in any serious sense. It is only formally compliant at the surface level^{4,5,6}.

Record-keeping is often underestimated because it lacks the dramatic visibility of asset freezes or rejected shipments, yet it is one of the core pillars of sanctions governance. A risk-based system cannot function merely through one-off judgement. It must be able to explain, retrospectively and systematically, why a customer was onboarded, why a transaction was stopped, why an alert was cleared, why a licence was considered sufficient, and what information was available at the time. Record-keeping therefore serves several governance functions simultaneously. It preserves institutional memory, supports internal consistency, enables testing and audit, facilitates supervisory review, and protects the organisation when a decision is later questioned. UK guidance explicitly links sanctions obligations with reporting and record-related responsibilities, including in relation to licensing and frozen assets. Trade-sanctions guidance likewise indicates that information requests and record-keeping duties are not ancillary but enforceable parts of the regime. In the EU sphere, the same logic is reflected indirectly in the importance attached to due diligence, reporting, and evidence-based implementation. Record-keeping turns compliance from a series of ephemeral choices into an

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

² HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance.*

³ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions.*

⁴ Financial Action Task Force. (2024, March 11). *Guidance on Beneficial Ownership and Transparency of Legal Arrangements.*

⁵ Financial Action Task Force. (2023, March 10). *Guidance on Beneficial Ownership of Legal Persons.*

⁶ HM Treasury, Office of Financial Sanctions Implementation. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations.*

accountable governance process. Without documentary traceability, risk-based control quickly becomes unprovable, uneven, and difficult to defend^{1,2,3}.

The logic of risk-based governance also requires that compliance controls be differentiated across sectors rather than uniformly copied. The relevant risks of a bank, a maritime insurer, a freight forwarder, a dual-use exporter, a crypto-service provider, and a professional advisory firm are not identical. This is precisely why both OFAC and OFSI have supplemented general frameworks with sector-sensitive guidance. OFAC has issued targeted materials for instant payment systems, virtual currency businesses, and the maritime sector, each of which recognises that the architecture of exposure differs with the structure of the service. The governance lesson is clear. A credible sanctions compliance system must be risk-based not only in the abstract but in relation to the operational ecology of the sector concerned. Screening frequency, due-diligence triggers, typology awareness, documentary demands, and escalation thresholds may legitimately differ across contexts. However, the underlying governance logic remains constant. The firm must identify where sanctions exposure is likely to arise and build controls responsive to that exposure. This is why “copy-and-paste compliance” is structurally weak. It mimics policy language without governing the actual risk environment in which the business operates^{4,5,6}.

In the trade-control context, the shift from legal obligation to risk-based control is especially visible in end-use and end-user due diligence. A legal text may prohibit export, re-export, transfer, or brokering of specific goods or services under specified conditions. Yet in practice, the governance challenge lies in detecting when formally lawful-seeming transactions conceal diversion risk. The Commission’s Russia circumvention guidance, the enhanced due-diligence document for common high-priority items, and BIS materials all indicate that operators must move beyond commodity classification alone. They must assess whether the customer profile fits the goods, whether the destination is plausible, whether routing signals diversion risk, whether documentation is coherent, and whether the transaction contains red flags associated with military-industrial procurement or sanctions evasion. This is a governance model of pattern recognition built on legal obligation. The law tells firms what exposure matters. Risk-based control tells them how to search for it in the ordinary flow of trade. For Russia-related sanctions, this has become indispensable because the most consequential violations are often not openly direct but strategically disguised. End-use diligence therefore becomes one of the principal means by which trade restrictions acquire practical force^{7,8,9}.

The same pattern appears in financial compliance, where the governance objective is no longer simply to identify listed names but to control the financial pathways through which restricted actors, sectors, or transactions might still obtain access. OFSI’s general guidance and OFAC’s framework both place heavy emphasis on risk awareness, compliance resourcing, and internal procedures capable of addressing actual exposure. The operational question is whether payments, account relationships, correspondent channels, trade-finance instruments, insurance-linked transfers, or service fees present sanctions nexus. This requires institutions to combine screening with transaction monitoring, customer due diligence, adverse-information review, and event-driven re-assessment. It also requires a governance model that can manage urgency without sacrificing control, since payment systems

¹ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

² HM Government. (2026, March 12). *Russia sanctions: statutory guidance*.

³ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁴ U.S. Department of the Treasury, Office of Foreign Assets Control. (2021, September 21). *Sanctions Compliance Guidance for the Virtual Currency Industry*.

⁵ U.S. Department of the Treasury, Office of Foreign Assets Control. (2021). *Sanctions Compliance Guidance for Instant Payment Systems*.

⁶ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 31). *Sanctions Guidance for the Maritime Shipping Industry*.

⁷ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁸ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*

⁹ U.S. Department of Commerce, Bureau of Industry and Security. (2024, February 23). *Common High Priority Items List (CHPL)*

frequently operate under high speed and high volume. The emergence of guidance for instant payment systems is especially revealing in this respect. Authorities recognise that innovation in financial infrastructure does not remove sanctions obligations. It intensifies the need to redesign controls so that speed does not become a vector of evasion or inadvertent breach. Thus, the governance logic of sanctions compliance is inseparable from the evolution of operational tempo in modern finance^{1,2,3}.

Testing, auditing, and review are central to this governance logic because sanctions exposure is not static. A compliance system that was adequate when first designed may become weak as business models expand, product offerings change, software ages, ownership structures become opaquer, or circumvention typologies evolve. OFAC's framework explicitly treats testing and auditing as essential components of a sanctions' compliance programme. This is not just good governance in general. It is essential in sanctions policy because the consequences of unnoticed control deterioration can be severe, both legally and strategically. Regular review allows firms to detect false negatives, unmanageable false positives, unclear escalation routes, documentation gaps, inconsistent approvals, and training failures. It also allows management to identify whether the control environment still aligns with the actual pattern of risk. A risk-based model without review becomes merely historical. It reflects an earlier risk map rather than the present one. Continuous review therefore completes the governance cycle: legal rule, risk identification, control design, implementation, testing, correction, and re-implementation. That cycle is what distinguishes a living compliance architecture from a static policy binder^{4,5}.

Training serves a similarly structural function because risk-based governance depends on decision quality at multiple levels of the organisation. Front-office staff, onboarding teams, trade operations personnel, logistics coordinators, legal reviewers, finance departments, and senior approvers do not encounter sanctions risk in the same form. Yet all of them may control a part of the transaction chain at which exposure becomes visible or should have become visible. Training is therefore not reducible to awareness sessions on the existence of sanctions. In governance terms, it is the distribution of operational literacy across the organisation. Staff must know what red flags look like in their own workflow, what must be documented, when escalation is mandatory, and what cannot be resolved by commercial judgement alone. OFAC again treats training as an essential component, and the broader guidance environment in the EU and UK points in the same direction even when expressed through due-diligence and reporting expectations rather than through a single unified compliance doctrine. Training matters because even well-designed controls fail when users do not understand the logic behind them. A risk-based architecture is only as effective as the interpretative competence of the people expected to use it^{6,7,8}.

Another important feature of the governance logic is that it seeks not total elimination of uncertainty, but controlled management of uncertainty. Sanctions compliance regularly operates in situations where evidence is partial, legal definitions require interpretation, and commercial facts do not align neatly with formal categories. Risk-based control does not promise mathematical certainty in such settings. It creates procedures for acting responsibly despite imperfect information. That is why due diligence, escalation, record-keeping, and review matter so much. They do not eliminate ambiguity, but they make decisions disciplined, explainable, and more resistant to both recklessness and arbitrariness. This point is particularly important in the Russia context, where evasive behaviour often depends on maintaining

¹ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2021). *Sanctions Compliance Guidance for Instant Payment Systems*.

³ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

⁴ Ibid.

⁵ European Commission. (2024, February 19). *Guidance on due diligence*.

⁶ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

⁷ European Commission. (2024, February 19). *Guidance on due diligence*.

⁸ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

ambiguity long enough for a transaction to clear. Governance is therefore successful not when it produces omniscience, but when it prevents ambiguity from defaulting into permissive execution. A good system converts uncertainty into a trigger for enhanced scrutiny rather than a reason for administrative passivity. That is one of the core features of risk-based control as a governance model^{1,2}.

Table 7.1.2-1. Governance Transition from Legal Obligation to Risk-Based Control

Governance layer	Core question	Principal instruments	Operational purpose
Legal obligation	What is prohibited, restricted, licensed, exempted, or reportable?	Regulations, listings, FAQs, statutory guidance	Establish the normative perimeter
Risk identification	Where is the firm exposed?	Risk assessment, business-line mapping, geographic and sectoral analysis	Locate sanctions-sensitive activity
Preventive verification	Is the counterparty, route, transaction, or use-case acceptable?	Due diligence, screening, BO/UBO checks, end-use review	Detect exposure before execution
Decision control	Who decides when risk is uncertain or elevated?	Escalation channels, approval matrices, legal/compliance review	Prevent uncontrolled or premature execution
Conditional permissibility	Can the activity proceed lawfully under authorisation?	Licensing checks, derogation assessment, reporting duties	Distinguish prohibited from authorised conduct
Accountability and resilience	Can the decision be defended, audited, and improved?	Record-keeping, testing, audit, training, periodic review	Sustain consistency and corrigibility

Authorship: prepared by the author on the basis of official EU institutional materials and United States' materials.

Sources:

- European Commission. (2023, September 7). Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.
- European Commission. (2024, February 19). Guidance on due diligence.
- European Commission. (2026, March 13). Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.
- HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). UK financial sanctions general guidance.
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). A Framework for OFAC Compliance Commitments.
- Financial Action Task Force. (2024, March 11). Guidance on Beneficial Ownership and Transparency of Legal Arrangements.

From a governance perspective, public guidance performs a function that is more substantive than explanatory. It does not merely restate law for convenience. It reduces implementation entropy across thousands of private and public actors that must act on the same sanctions' framework under time pressure and with uneven expertise. The existence of extensive EU FAQs, due-diligence guidance, and anti-circumvention documents indicates that authorities themselves recognise that legal obligation alone is too thin a medium for uniform application. Public guidance helps translate regulatory intent into operational assumptions. It narrows the zone in which divergent interpretations arise, clarifies what evidence matters, and signals what forms of risk deserve heightened attention. In that sense, guidance is part of governance, not a supplement to it. It shapes how firms convert law into internal procedure. This also explains why delayed or fragmented guidance can weaken sanctions policy even when the legal

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*

² HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance.*

texts themselves are unchanged. The governance quality of a sanctions' regime depends partly on whether the law is made operationally legible to those who must implement it every day^{1,2,3}.

The public-private relationship is therefore built into the governance logic of compliance itself. States and supranational institutions determine the normative framework, but firms and regulated intermediaries' control much of the operational space in which sanctions succeed or fail. This does not make private actors sovereign over sanctions policy. It makes them indispensable carriers of implementation. The governance question is how to structure that role so that private actors neither under-apply the law through negligence nor over-apply it through indiscriminate defensive withdrawal. Risk-based control is the chosen answer because it permits differentiated management of exposure while preserving the legal core of the regime. But that answer only works if public authorities provide enough clarity, accessibility, and supervisory coherence to make reasoned private implementation possible. The more complex the circumvention environment becomes, the more this public-private governance relationship matters. In the Russia case, where third-country intermediaries, proxy entities, and fragmented routing have become central to evasion, the private sector often sees suspicious patterns before the state does. A well-governed sanctions regime therefore treats firms not only as potential violators but as institutional partners in early detection and controlled interruption^{4,5}.

This governance model also explains why sanctions compliance is inseparable from proportionality. A risk-based regime is not supposed to require the same depth of inquiry for every transaction, every customer, and every product. It is designed to allocate scarce compliance resources toward the areas of greatest exposure. OFAC has articulated this principle directly in Russia-related advisory materials, encouraging institutions to deploy compliance resources toward products, services, business lines, and locations most likely to facilitate activity involving Russia's military-industrial base. The same logic underlies EU guidance on enhanced due diligence and common high-priority items. Proportionality is therefore not a relaxation of governance. It is a condition of governance effectiveness. Systems that attempt to treat all activity as equally risky often produce alert fatigue, weak prioritisation, and deterioration in decision quality. By contrast, systems that identify where risk is concentrated can act more quickly and more credibly where it matters most. The transition from legal obligation to risk-based control is thus also a transition from abstract universality to operational prioritisation^{6,7}.

At the same time, risk-based control is not a licence for loose discretion or purely commercial balancing. That danger is precisely why governance structures must be documented, reviewable, and anchored in legal obligation. A firm cannot justify weak due diligence merely by saying that it judged the risk to be low. Nor can it legitimise selective blindness toward suspicious intermediaries by invoking commercial practicality. Risk-based governance demands reasoned calibration, not opportunistic downgrading of controls. This is another reason why record-keeping, testing, and supervisory expectations matter so much. They make risk-based control contestable and therefore governable. In effect, they prevent the language of proportionality from being misused as a euphemism for convenience. A serious sanctions regime must therefore maintain a dual commitment: flexible enough to respond to differentiated risk,

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Commission. (2024, February 19). *Guidance on due diligence*.

³ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁵ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁶ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁷ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, June 12). *Sanctions Advisory*.

but disciplined enough to prevent flexibility from collapsing into inconsistency or evasion tolerance. That balance is one of the central governance tasks for the 2026–2030 sanctions environment^{1,2,3}.

For the Russian sanctions track specifically, the evolution from legal obligation to risk-based control has been driven by the practical limits of static prohibition in an adaptive environment. As Russia and Russia-linked networks expanded use of third-country hubs, layered service provision, opaque ownership structures, and disguised procurement channels, the older model of simple prohibition plus after-the-fact enforcement became increasingly insufficient. Authorities responded by building a denser compliance governance ecosystem centred on enhanced due diligence, typology recognition, beneficial-ownership transparency, licensing clarity, and better information architecture. This shift is not cosmetic. It marks the recognition that sanctions policy against a large adaptive target must be implemented as a dynamic control system. The legal norm remains essential, but it is no longer the decisive operational variable on its own. What matters equally is the quality of the governance chain that surrounds it. That chain determines whether law remains declaratory or becomes behaviourally effective across the infrastructures through which Russia seeks to preserve external access. In this sense, the governance logic of compliance is not merely administrative theory. It is one of the central conditions of sanctions effectiveness in prolonged geopolitical confrontation^{4,5,6}.

The main conclusion is therefore clear. The governance logic of compliance consists in converting legal obligation into a differentiated, documented, auditable, and adaptable control environment. It does so through due diligence, screening, internal controls, escalation procedures, licensing checks, beneficial-ownership verification, record-keeping, training, and periodic review. Each of these elements answers a different operational question, but together they form a coherent governance architecture. That architecture is risk-based because modern sanctions exposure is distributed unevenly and concealed strategically. It is still law-bound because controls must remain anchored in normative obligation rather than commercial preference alone. For the EU sanctions regime, and especially for the Russia track, this model has become indispensable. It is the practical means by which restrictive measures are made usable by firms, governable by authorities, and effective against increasingly adaptive patterns of circumvention. A sanctions regime that stops at prohibition is incomplete. A sanctions regime that builds a credible risk-based control architecture begins to operate as a durable system of real-world constraint^{7,8,9,10}.

7.1.3. Public–Private Interface in Sanctions Implementation

The public–private interface in sanctions implementation is not a secondary organisational detail but one of the constitutive features of the modern sanctions’ regime. Restrictive measures are adopted by public authorities, interpreted through public law, and ultimately backed by public enforcement powers. Yet their daily practical effect is generated at the points where private actors decide whether to onboard a customer, process a payment, release cargo, insure a vessel, execute a contract, or continue a service relationship. The sanctions system therefore operates through a hybrid chain of authority and execution rather than through a simple command-and-control model. Public institutions define the normative

¹ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

³ European Commission. (2024, February 19). *Guidance on due diligence*.

⁴ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ Financial Action Task Force. (2024, March 11). *Guidance on Beneficial Ownership and Transparency of Legal Arrangements*.

⁶ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

⁷ Ibid.

⁸ European Commission. (2024, February 19). *Guidance on due diligence*.

⁹ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

¹⁰ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

perimeter, but private operators convert that perimeter into operational decisions. This makes sanctions implementation a field of co-produced governance in which state and market actors perform different but interdependent functions. The state cannot achieve implementation alone because it does not sit inside every transaction. Private actors cannot govern autonomously because their role derives from legal obligations, supervisory expectations, and enforcement risk. The real architecture is therefore relational. Compliance is shaped in the space where public mandate and private operational capacity meet^{1,2,3}.

In the EU context, this interface is structurally multi-level. The Union adopts sanctions through the CFSP and, where necessary, through directly applicable regulations, but the implementation and enforcement of those sanctions rest primarily with the Member States. The Commission's own sanctions overview states that investigation of potential non-compliance cases falls to the Member States and their national competent authorities, while the Commission monitors implementation and enforcement across the Union. The same materials also stress that Member States are responsible for identifying breaches and imposing penalties. This division of labour means that the public side of the interface is already internally plural before the private sector even enters the picture. It includes EU institutions that design, coordinate, and clarify the regime, and national authorities that authorise, investigate, and penalise within domestic legal systems. Private operators therefore do not interact with a single "state" actor, but with a layered governance structure. This complexity partly explains why guidance, coordination, and common best practices have become so important. Without them, the interface would fracture into multiple national implementation environments and generate uneven signals for firms operating cross-border. Public-private implementation in the EU is thus inseparable from public-public coordination inside the Union itself^{4,5,6}.

At Union level, the Commission occupies a central interface-management role rather than a purely legislative or symbolic one. According to the Commission's sanctions overview, DG FISMA monitors the implementation and enforcement of EU sanctions across all Member States and increasingly supports Member States by answering interpretation questions raised by national competent authorities as well as economic and humanitarian operators. That formulation is highly revealing. It shows that the Commission is not merely producing abstract policy statements. It is actively sustaining a common interpretative space in which both authorities and operators can work. The consolidated FAQ architecture performs the same interface function. It provides a shared frame for national authorities, businesses, and other stakeholders dealing with legally complex and fast-evolving restrictions. The EU Sanctions Helpdesk extends this operational support even further by offering free personalised assistance to firms, particularly SMEs, undertaking sanctions due diligence. These mechanisms illustrate that the Union now treats implementation not as a purely downstream enforcement matter but as an ongoing governance relationship with market actors. The Commission is therefore best understood as an interface stabiliser. It helps reduce interpretative fragmentation between law on paper and compliance in practice^{7,8,9}.

National competent authorities remain the most immediate public interlocutors for private operators. The Commission's contacts page states explicitly that the primary responsibility for the implementation of EU sanctions rests with the Member States and that EU operators looking for guidance on specific issues should first and foremost reach out to their national competent authority. This is one of the

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

² European Commission. (n.d.). *Overview of sanctions and related resources*

³ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*

⁴ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁵ European Commission. (n.d.). *Contacts on EU sanctions*.

⁶ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁷ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁸ European Commission. (2025, June 11). *Sanctions implementation*.

⁹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

clearest institutional signals in the current architecture. It confirms that the interface is not designed around direct centralised micro-management from Brussels. Instead, firms are expected to operate primarily through national legal-administrative channels, even while the broader framework remains European. National competent authorities are therefore the core public nodes through which licensing, derogations, reporting, interpretative queries, and enforcement follow-up are organised. Their practical accessibility matters enormously for compliance quality. Where NCAs are responsive, clear, and coordinated, firms are more likely to escalate difficult cases rather than either ignore them or default to indiscriminate de-risking. Where NCAs are slow, opaque, or inconsistent, the public-private interface becomes less predictable and more defensive. The effectiveness of the EU sanctions regime thus depends substantially on the quality of these national contact points and not only on the content of Union regulations¹²³.

The Council's 2024 Best Practices document makes this multi-actor structure even more explicit by describing implementation as a coordinated process across numerous public bodies and by assigning a recognised role to economic operators and citizens. The document includes a dedicated section on the "role of economic operators and citizens" and states that economic operators are obliged to provide information facilitating compliance, to report indications that funds or economic resources may have been made available without authorisation, and to cooperate with competent authorities in the verification of information. This is not a marginal procedural note. It formalises the private sector as part of the implementation chain rather than as a passive object of public supervision. The same document also provides that competent authorities may exchange relevant information with the Commission, the Council, the EEAS, competent authorities of other Member States, law enforcement bodies, courts, investigating and prosecuting authorities, and, where necessary, credit and financial institutions. In other words, the public-private interface is embedded in a broader information-sharing web that stretches well beyond a bilateral regulator-firm relationship. Sanctions implementation is presented here as a coordinated ecosystem. That ecosystem has public leadership, but it depends on private informational input and operational cooperation to function effectively⁴.

A particularly important part of that public side is national inter-agency coordination. The Council's Best Practices state that Member States should ensure efficient national coordination and communication mechanisms between all relevant government agencies, bodies, and services with competence in restrictive measures, including ministries, FIUs, financial supervisors, intelligence and security services, judicial authorities, prosecutors, and other law-enforcement bodies as appropriate. This formulation matters because it shows that implementation problems are rarely confined to one bureaucratic silo. A sanctions issue may begin as a compliance alert in a bank, appear as a suspicious routing pattern in customs data, develop into a criminal inquiry, and later generate prosecutorial or judicial action. If those state actors do not coordinate, the private sector receives fragmented signals and the regime loses coherence. The Council also recommends an intelligence-driven and risk-based approach and broader information exchange with other Member States, the Commission, the EEAS, Europol, Eurojust, FATF, and relevant UN bodies. This means that the public-private interface is only one layer of a larger coordination matrix. Firms stand at the edge of a state architecture that must itself be joined up if private reporting and compliance are to produce systemic effect. Sanctions implementation is therefore neither purely national nor purely European in its public dimension. It is an integrated field of nested authorities and cooperative channels⁵.

Customs authorities illustrate especially well why sanctions implementation cannot be described as purely financial or purely legal. The Commission's customs page on EU measures following the Russian invasion of Ukraine explains that many sanctions measures have direct implications for the work of EU

¹ European Commission. (n.d.). *Contacts on EU sanctions*.

² European Commission. (n.d.). *Overview of sanctions and related resources*.

³ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁴ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁵ Ibid.

customs authorities, importers, and exporters. This reveals a classic interface structure. Public authorities control border release, customs status, and enforcement capacity, but they rely heavily on declarations, documents, classifications, and operational behaviour provided by traders, brokers, freight operators, and importers. The 2023 Commission guidance note on stopped goods makes the point even more concretely by stating that customs administrations in Member States are implementing various sanctions and, in some cases, have stopped goods subject to import and export prohibitions. The guidance also makes clear that customs must carefully assess whether release of blocked goods would create a circumvention risk. This is not a unilateral state act detached from private activity. It is a legally structured interaction in which customs, traders, and related operators must exchange information under conditions of uncertainty and time pressure. The customs layer therefore embodies the public–private interface in material form: goods, documents, declarations, and control decisions intersect at the border. That makes customs authorities among the most visible public executors of sanctions, but still not independent of private compliance quality^{1,2}.

The financial sector provides another crucial interface, but here the interaction is more continuous and less episodic than at customs. Banks, payment institutions, and other financial intermediaries occupy central positions in sanctions implementation because they process flows that are both rapid and deeply embedded in cross-border commercial life. Public authorities impose the legal obligation, but private institutions decide whether an alert is escalated, whether a transaction is paused, whether an account is frozen, whether a beneficial-owner check is sufficient, and whether a report is made. This explains why both the UK and EU-related supervisory frameworks place such emphasis on governance, internal controls, and reporting duties. It also explains why the EBA’s 2024 guidelines are so important. The EBA stated that, for the first time, it was setting common EU standards on governance arrangements and policies, procedures, and controls that financial institutions should have in place to comply with Union and national restrictive measures. That step is essentially a form of interface engineering. It attempts to reduce divergence in how supervised firms operationalise public sanctions obligations. Financial sanctions implementation is therefore not only about legal restrictions on funds. It is about the supervisory structuring of private compliance conduct^{3,4,5}.

The EBA materials also show that the public–private interface increasingly operates through supervisory standard-setting rather than through ad hoc enforcement alone. The final guidelines are addressed both to competent authorities and to financial institutions, and they are designed to be used by supervisors when assessing internal policies, procedures, and controls adopted by firms. This dual addressee structure is analytically important. It means that the interface is not just a line between state and firm; it is a shared governance space in which authorities define expectations for how firms should organise themselves internally. The same EBA report notes that competent authorities had reported common deficiencies in screening systems, including outdated or incorrect lists, overreliance on vendors, weak understanding of those systems, inadequate frequency of screening, and limited fuzzy matching. It also records that technical screening alone is insufficient and must be complemented by strong processes relating to customers and beneficial owners. These are classic interface findings. They show that implementation problems arise where supervisory expectation, technical infrastructure, and institutional practice meet. The state does not merely punish private failure after the fact. It increasingly shapes the internal architecture through which private compliance is performed^{6,7}.

¹ European Commission, Directorate-General for Taxation and Customs Union. (n.d.). *EU measures following the Russian invasion of Ukraine*.

² European Commission. (2023, September). *Guidance note to Member States on stopped goods as a result of the sanctions*.

³ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁴ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

⁵ European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.

⁶ Ibid.

⁷ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

Financial Intelligence Units add a further layer to this interface because they convert private reporting into public intelligence. The Commission’s 2025 article on the ‘Next-Generation’ FIU.net states that the system gives FIUs and Europol improved capacity for information exchange and cross-matching, and that cross-border reporting enables FIUs to distribute suspicious transaction reports filed by obliged entities registered in one country but providing services in others. This is highly relevant for sanctions implementation even where the formal legal basis arises from AML/CFT structures. It demonstrates that firms are not merely expected to comply silently. They are also expected to generate intelligence signals that public authorities can analyse and share across borders. FIUs thus occupy a mediating position between private gatekeepers and investigative or prosecutorial authorities. They are part of the state, but their informational inputs frequently originate in private compliance systems. In sanctions terms, this matters because circumvention often manifests first as an unusual pattern rather than an immediately provable breach. The FIU layer helps transform suspicion into cross-border financial intelligence. Public–private implementation in this area is therefore iterative: firms detect anomalies, FIUs analyse and disseminate, and other authorities pursue follow-up^{1,2}.

The emerging role of AMLA further institutionalises this interface in the financial sector. According to the Commission’s 2024 AML/CFT Questions and Answers, AMLA will check compliance with sanctions-related measures by the riskiest cross-border groups in the financial sector and will contribute to a common supervisory approach to verification of compliance with sanctions-related requirements. The same document adds that AMLA will provide critical input to the understanding and mitigation of risks of sanctions evasion or non-implementation at Union level. This is a significant development because it links sanctions implementation more closely to the broader European supervisory architecture for financial integrity. It also suggests that sanctions compliance is being normalised as a matter of supervisory governance rather than treated only as an exceptional foreign-policy overlay. AMLA does not replace national authorities or firm-level compliance functions. Instead, it strengthens convergence and risk visibility across jurisdictions and groups whose activities are inherently cross-border. That is precisely what a complex public–private interface requires. As sanctions implementation becomes more networked, central supervisory coordination becomes more valuable^{3,4}.

Private actors, for their part, should be understood as operational gatekeepers rather than as mere compliance subjects. Banks, exporters, insurers, shipping firms, payment providers, platforms, and professional intermediaries are situated at points where sanctions can actually interrupt a transaction or be bypassed. This is why the Council Best Practices assign information and cooperation duties to economic operators, and why the Commission’s sanctions support tools are designed not only for public authorities but also for businesses. Private firms control transaction initiation, documentary collection, customer onboarding, route selection, service continuation, and payment execution. The state generally does not perform these tasks itself. It relies on the fact that firms occupy the chokepoints through which restricted activity must often pass. That reliance is not informal or accidental. It is built into the architecture of sanctions as a system of distributed implementation. In this sense, private actors are not substitutes for state enforcement but indispensable executors of first-instance operational control. Without them, most sanctions regimes would become vastly more expensive to police and far less effective in real time^{5,6,7}.

Corporate compliance teams are the institutional location where this private role is organised and translated into repeatable practice. They mediate between legal texts, business incentives, technical

¹ European Commission. (2025, February 4). ‘Next-Generation’ FIU.net.

² Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

³ European Commission. (2024, April 24). *Questions and Answers: Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT)*.

⁴ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁵ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁶ European Commission. (2025, June 11). *Sanctions implementation*.

⁷ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions*.

screening tools, and external regulatory expectations. In governance terms, they are internal interface managers. They receive rules and guidance from public institutions, but they must re-express those rules in policies, escalation channels, screening logic, client-acceptance criteria, and documentation standards intelligible to commercial staff. Their work is therefore neither purely legal nor purely operational. It is a form of organisational translation. This is why recent EU and partner guidance increasingly stresses internal policies, procedures, controls, training, and testing. The public–private interface is not located only at the boundary between regulator and firm. It also runs through the inside of the firm, where public requirements are converted into business process. If that internal translation fails, the external legal rule remains weakly implemented. Compliance teams are thus a crucial intermediary layer within the broader interface architecture^{1,2,3}.

The EU Sanctions Helpdesk is especially important because it lowers the threshold for private-sector participation in implementation. The Commission’s 2025 article explains that the helpdesk offers free personalised support to companies performing sanctions due-diligence checks and invites firms to submit either general sanctions questions or detailed due-diligence requests. The related contacts page also states that SMEs can receive personalised support through the Helpdesk. This is more than a convenience service. It is a governance instrument designed to strengthen interface usability, especially for firms that lack large in-house compliance teams. Large banks and multinational exporters may be able to absorb interpretative complexity internally. Smaller operators often cannot. If support is absent, those firms may either disengage excessively from legitimate business or underinvest in controls because the compliance burden appears too opaque. The Helpdesk therefore broadens the implementational capacity of the private side of the interface. It makes the sanctions regime more socially and economically governable by improving access to compliant participation rather than relying solely on post hoc deterrence^{4,5,6}.

Table 7.1.3-1. Public–Private Interface in EU Sanctions Implementation

Interface actor	Primary role	Type of interaction with other actors	Implementation significance
European Commission / DG FISMA	Monitoring, guidance, interpretative support, helpdesk, whistleblower intake	Supports Member States; answers operator queries; refers credible information to Member States	Stabilises Union-wide interpretation and reduces fragmentation
National competent authorities	Licensing, derogations, interpretation, enforcement, penalties	Main contact point for operators; coordinate with Commission and other NCAs	Core national public interface for firms
Customs authorities	Border implementation of import/export prohibitions	Interact with traders, brokers, importers, exporters, and Commission guidance	Convert sanctions into control over goods movement
Financial supervisors / EBA / AMLA	Supervisory standards, control assessment, convergence	Shape firms’ internal controls and cross-border supervisory expectations	Harmonise compliance quality in finance
FIUs / FIU.net / Europol-linked channels	Intake, analysis, and exchange of suspicious financial information	Receive private-sector signals and disseminate intelligence across borders	Transform compliance alerts into actionable intelligence

¹ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

³ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

⁴ European Commission. (2025, June 11). *Sanctions implementation*.

⁵ European Commission. (n.d.). *Contacts on EU sanctions*.

⁶ European Commission. (n.d.). *Overview of sanctions and related resources*.

Interface actor	Primary role	Type of interaction with other actors	Implementation significance
Regulated firms and corporate compliance teams	Screening, due diligence, escalation, reporting, service denial	Translate public rules into internal controls and operational decisions	First-line execution of sanctions pressure
Whistleblowers / citizens / other stakeholders	Violation reporting	Provide information to Commission and relevant authorities	Expand detection beyond formal institutional channels

Authorship: prepared by the author on the basis of official EU institutional materials

Sources:

- European Commission. (n.d.). *Overview of sanctions and related resources*.
- European Commission. (n.d.). *Contacts on EU sanctions*.
- European Commission. (2025, June 11). *Sanctions implementation*.
- European Commission. (2025, February 4). *'Next-Generation' FIU.net*.
- European Commission. (2024, April 24). *Questions and answers: Anti-money laundering and countering financing of terrorism (AML/CFT)*.
- Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.
- European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.
- European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

The Commission's whistleblower mechanism further widens the interface by allowing individuals aware of possible violations to submit information anonymously. The contacts page specifies that if the Commission considers the information credible and well documented, it will refer it to the relevant Member State or Member States together with its legal interpretation. This is a striking example of interface governance. The state is not waiting only for formal reports from regulated firms or for investigative authorities to discover breaches independently. It is constructing channels through which private and quasi-private knowledge can enter the enforcement system. The Commission also does not simply transmit raw information mechanically. It adds legal interpretation, thereby linking intelligence input with regulatory framing. This strengthens the connection between detection and action. It also demonstrates that sanctions implementation includes managed informational intermediation, not just command and compliance. Public-private interaction thus extends beyond the regulated firm and into the broader social environment of observability and reporting^{1,2}.

Licensing and derogations offer another clear example of why the interface is not reducible to enforcement. In many sanctions' regimes, the relevant public question is not simply whether to punish violation but whether and how to authorise specific conduct under legally defined exceptions. The Council Best Practices emphasise that competent authorities should inform other competent authorities and the Commission of rejected authorisation requests where the regulation so requires, and should still aim to notify rejected requests even where there is no explicit obligation, in order to minimise distortions of competition in the internal market. This reveals two important features of the interface. First, firms interact with public authorities not only as potential violators but as applicants seeking lawful pathways through prohibited space. Second, public actors themselves must coordinate their handling of those applications so that private parties do not forum-shop or receive materially divergent treatment across Member States. Licensing therefore transforms the interface into a channel of negotiated legality.

¹ European Commission. (n.d.). *Contacts on EU sanctions*.

² European Commission. (n.d.). *Overview of sanctions and related resources*.

It is not a relaxation of sanctions but a structured means of ensuring that exceptional permissions remain governable, transparent, and consistent^{1,2,3}.

This public–private structure also explains why implementation quality depends heavily on trust and usability. If firms regard public guidance as unclear, delayed, or internally inconsistent, they will often respond defensively by over-blocking, withdrawing services, or relying excessively on third-party screening vendors without sufficiently understanding their outputs. The EBA’s 2024 report notes precisely such supervisory concerns, including overreliance on vendors and poor understanding of screening systems by firms. That is not merely a private deficiency. It is evidence of interface weakness. A well-designed interface should allow private actors to understand expectations clearly enough to make reasoned and reviewable decisions. A poorly designed interface amplifies both false negatives and false positives. The same is true when national authorities vary too sharply in responsiveness or interpretation. Public–private sanctions governance therefore requires more than legal authority. It requires interface credibility, meaning that the private sector sees escalation, consultation, and reporting as workable rather than futile. Without that credibility, implementation either deteriorates or becomes excessively defensive^{4,5}.

The reason compliance cannot be regarded as purely state enforcement is therefore practical as well as conceptual. States do not control the full informational and operational surface on which sanctions exposure appears. They do not originate every customer file, own every transaction-monitoring system, inspect every logistics decision in real time, or see every ownership anomaly before a deal is executed. Much of this visibility resides with firms. The Council Best Practices explicitly recognise this by requiring operators to provide information and cooperate in verification, while the Commission’s tools are built to assist and receive inputs from operators. Compliance is thus distributed by design. The state provides legal force and coercive backing, but the private sector provides much of the early detection, operational interruption, and evidence generation. That does not privatise sanctions policy. It means that sanctions policy functions through a layered implementation ecology in which public enforcement alone would be insufficiently granular, slow, and costly. State enforcement is indispensable, but it is not self-sufficient^{6,7,8}.

This becomes even clearer in the Russia sanctions context because circumvention has been adaptive, transnational, and often networked through intermediaries. The Commission’s anti-circumvention guidance and related due-diligence materials were issued precisely because authorities recognised that private operators needed help identifying patterns that did not always present as direct legal matches. Third-country routing, shadow ownership, obscure intermediaries, and fragmented service provision do not always first appear in public case files. They often appear in private transactional ecosystems as anomalies, implausible instructions, or documentary inconsistencies. The public–private interface is therefore a site of distributed intelligence, not merely distributed obedience. Firms detect signals because they are close to transactions. Public authorities contextualise, verify, coordinate, and enforce because they possess legal mandate and broader information powers. The two sides are not interchangeable, but neither can succeed alone under contemporary circumvention conditions. In

¹ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

² HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

³ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

⁴ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁵ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions*.

⁶ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁷ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁸ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions*.

practical terms, sanctions implementation against Russia has evolved into a shared detection-and-interruption environment^{1,2,3}.

Yet this interface also generates structural tensions. Private actors may over-comply to protect themselves against legal and reputational risk. National authorities may diverge in practice even when the formal rule is the same. Supervisors may push firms toward stronger controls, while operators experience alert overload and uncertainty over when reporting is actually required. The EBA's final report records consultation feedback warning that a requirement to report every suspicion of possible circumvention could flood competent authorities with incomplete or irrelevant information, and the EBA acknowledged that there is no general legal obligation of that kind across all circumstances. This exchange is instructive. It shows that interface design must balance information intake against usability and proportionality. Too little reporting weakens detection. Too much undifferentiated reporting can degrade analytical capacity on the public side and compliance efficiency on the private side. The public-private interface is therefore not simply about adding more obligations. It is about calibrating interaction so that information, scrutiny, and control remain decision-useful⁴.

From a strategic perspective, the central policy lesson is that sanctions implementation should be treated as a system of managed interaction rather than a unilateral act of sovereign imposition. EU institutions, NCAs, customs, FIUs, supervisors, prosecutors, firms, and corporate compliance teams all occupy different positions in the same implementation chain. The quality of their interaction determines whether sanctions remain credible, navigable, and effective under prolonged geopolitical strain. Better guidance, faster interpretation, higher-quality supervisory convergence, more usable support for firms, and stronger channels for cross-border intelligence exchange all improve the interface. The opposite tendencies—fragmentation, opacity, inconsistent national practice, and private-sector fatigue—degrade it. The EU's recent institutional developments point strongly toward the first model. Helpdesks, FAQs, whistleblower tools, EBA guidelines, stronger supervisory convergence, AMLA-related powers, customs guidance, and FIU.net modernisation all show a move toward a more structured interface architecture. This is not bureaucratic overgrowth. It is the practical recognition that sanctions now operate through networks of interaction rather than through isolated legal commands. The public-private interface is therefore not incidental to sanctions implementation. It is one of its principal operating conditions^{5,6,7,8}.

The broader conclusion is thus straightforward. Sanctions compliance is not purely state enforcement because the state does not occupy all the operational sites where compliance must occur. Nor is it private self-regulation because private action derives from public norms, public supervision, and public penalty frameworks. It is a hybrid implementation order built on reciprocal dependence. Public authorities need private visibility, transaction-level control, and reporting capacity. Private firms need public clarity, licensing pathways, interpretative support, and coherent supervisory expectations. The more adaptive the circumvention environment becomes, the more this reciprocal structure matters. In the Russia-related sanctions field, that reality is now unmistakable. Effective implementation depends less on the abstract existence of sanctions than on the quality of the public-private interface through which they are carried into actual market behaviour. That interface is therefore not a technical sidebar

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Commission. (2024, February 19). *Guidance on due diligence*.

³ Financial Action Task Force. (2025, June 9). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁴ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁵ European Commission. (2025, June 11). *Sanctions implementation*.

⁶ European Commission. (2025, February 4). *'Next-Generation' FIU.net*.

⁷ European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.

⁸ European Commission. (2024, April 24). *Questions and answers: Anti-money laundering and countering financing of terrorism (AML/CFT)*.

to sanctions policy. It is one of the decisive determinants of whether sanctions remain legally credible and operationally effective over time^{1,2,3}.

7.1.4. Compliance, Legal Certainty, and Policy Credibility

Compliance effectiveness depends not only on the existence of sanctions law but on the degree of legal certainty with which that law can be operationalised. In sanctions governance, legal certainty should not be understood in an absolutist sense, as though every possible transaction pattern could be resolved in advance by fully determinate rules. In practice, sanctions regimes are revised frequently, contain multiple derogations and licensing pathways, and must respond to adaptive circumvention strategies. What matters, therefore, is not immutable certainty but usable certainty. Operators need to know where the legal boundary lies, which questions require escalation, which data points are decisive, and which public channels can be relied upon when ambiguity remains. This is why guidance, FAQs, consolidated lists, and best-practice materials are not peripheral additions to sanctions policy. They are part of the architecture through which a dynamic legal regime becomes operationally legible. Without that architecture, the regime remains formally valid but practically unstable. With it, compliance can be structured as a disciplined and defensible process rather than as improvisation under threat of penalty. In this sense, legal certainty is one of the enabling conditions of sanctions implementation rather than a post hoc legal luxury^{4,5,6}.

The Commission's own framing makes this point with unusual clarity. The Russia sanctions FAQs are described as being drafted by the Commission services to support national authorities, EU operators, and citizens in the interpretation and implementation of the relevant regulations, while also stating that only the Court of Justice of the European Union is competent to interpret EU law. That formulation captures the precise balance on which legal certainty in sanctions policy rests. The FAQs do not replace formal law, and they do not amount to judicially binding interpretation. Yet they still perform an essential operational function by narrowing the zone of uncertainty within which firms and authorities must act. In other words, they provide structured interpretative assistance without displacing the hierarchy of legal authority. This is exactly the type of "safe operating assumption" that sanctions governance requires. Operators do not need every ambiguity eliminated before they act, but they do need a public interpretative environment that makes prudent, proportionate, and reviewable action possible. Legal certainty in sanctions policy is therefore produced partly through formal law and partly through disciplined guidance that remains clearly subordinate to formal law^{7,8}.

This layered model of certainty is particularly necessary because the EU sanctions regime is implemented through a dispersed network of public and private actors. Banks, exporters, insurers, customs brokers, logistics providers, platforms, and advisers do not operate inside a single administrative chain of command. They function through separate internal systems, different risk appetites, and divergent sectoral exposures. In such an environment, legal certainty must be socially distributed rather than merely legislatively declared. The Commission's overview of sanctions resources explicitly links implementation quality to guidance, the sanctions helpdesk, the consolidated list, the EU sanctions map, and the whistleblower tool. That resource architecture exists because the law alone cannot create uniform operational understanding across heterogeneous sectors. The Helpdesk article

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

² Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

³ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁴ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁵ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁶ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁷ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁸ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

of June 2025 makes the same point in practical terms by stressing that SMEs often need tailored legal support in order to understand what sanctions changes actually mean for commercial decisions. Legal certainty, therefore, is not only a matter of drafting. It is also a matter of access, usability, and institutional support. A sanctions regime that is formally coherent but operationally inaccessible will still generate weak or distorted compliance outcomes^{1,2,3}.

The relevance of legal certainty becomes even clearer when one considers the alternative. Where definitions are unclear, lists are difficult to use, derogation procedures are opaque, or interpretative updates arrive too slowly, firms tend to respond in one of two ways. Some under-comply by treating ambiguity as a reason not to intervene until violation is obvious. Others over-comply by blocking lawful activity, withdrawing services, or refusing legitimate transactions because the legal risk of a mistaken permissive decision appears too high. Both responses weaken policy quality. The first creates enforcement gaps and circumvention opportunities. The second produces unnecessary friction, market distortion, and private-law tension. This is why the European Parliament’s 2023 study recommended that the EU ensure adequate guidance for economic operators and agree on a joint definition of competent national authority. It is also why the Council’s 2024 Best Practices stress co-ordination and communication mechanisms across competent bodies and recommend notifying rejected authorisation requests to minimise the risk of distorting competition in the internal market. Legal certainty, then, is not only a compliance aid. It is a tool for preventing fragmentation and uneven burden allocation inside the coalition itself^{4,5}.

The EBA’s 2024 guidelines reinforce this diagnosis by showing how uncertainty and inconsistency materialise at the level of internal systems. The guidelines specify the internal policies, procedures, and controls that financial institutions should put in place to ensure the effective implementation of Union and national restrictive measures, and they are addressed both to institutions and to competent authorities that assess those institutions. The EBA also records common supervisory concerns: outdated or incorrect lists, overreliance on external screening vendors, poor understanding of screening systems, inadequate calibration, inadequate frequency of screening, and limited fuzzy matching. These findings are highly significant for the present section because they demonstrate that legal certainty is not merely conceptual. It depends on whether the information and control environment are sufficiently clear, updated, and intelligible to support correct use. Where public expectations are vague or inconsistently translated, technical systems drift into unreliable operation. The EBA’s insistence that screening alone is insufficient and must be complemented by stronger customer and beneficial-owner processes reveals the same logic. Certainty must extend beyond simple list access to the wider due-diligence framework in which decisions are made. In sanctions compliance, legal certainty is therefore partly infrastructural: it resides in the quality of the control environment as much as in the wording of the underlying legal act⁶.

Definitions are a particularly sensitive part of this certainty architecture because they determine the scope of practical obligation. A sanctions regulation may prohibit dealings with listed persons, entities owned or controlled by them, or specified classes of goods, services, or financial instruments. But the operational challenge lies in what counts as “ownership”, “control”, “making available”, “economic resources”, “brokering”, “indirect supply”, or “benefit”. If these concepts are too abstract at the level of practical use, then firms are left to improvise their own meaning under conditions of liability exposure. That is precisely why the Commission’s FAQs remain so important. They do not create new law, but they give operators and national authorities a common interpretative vocabulary. A common vocabulary does

¹ European Commission. (n.d.). *Overview of sanctions and related resources*.

² European Commission. (2025, June 11). *Sanctions implementation*.

³ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

⁴ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions*.

⁵ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁶ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

not eliminate all disputes, but it narrows the range of plausible divergence and thereby improves predictability. In turn, predictability reduces the odds that one Member State, one supervisor, or one sector will apply materially different operational assumptions from another. Legal certainty in sanctions policy is therefore inseparable from definitional discipline. Poor definitions externalise the burden of interpretation onto the market; better definitions and guidance internalise it within the governance structure of the regime^{1,2,3}.

Consolidated lists perform a similarly foundational role because certainty in sanctions compliance requires a reliable object of reference. The Commission’s sanctions resources page states that the consolidated list of persons, groups, and organisations subject to EU financial sanctions is managed and updated whenever necessary and reflects the officially adopted texts published in the *Official Journal* of the European Union. The same page notes that EUR-Lex provides official and comprehensive access to EU legal documents and is updated daily. These two features matter greatly. First, they reduce the gap between formal adoption and operational visibility. Second, they create a public infrastructure of version control, which is indispensable in a regime characterised by repeated amendments and targeted additions. Operators need not only access to the law, but access to the current law in a format that can be used in screening, escalation, audit, and review. The same logic can be seen in partner jurisdictions. The UK sanctions list is maintained as a public, searchable resource and was updated as recently as 16 March 2026, while UK FAQs display a detailed amendment trail showing additions and revisions across 2025 and 2026. These examples support a broader conclusion: update discipline is a core ingredient of legal certainty because stale certainty is operationally equivalent to uncertainty^{4,5,6}.

The importance of update discipline becomes even more obvious when sanctions are used against a large adaptive target such as Russia. In that setting, operational relevance decays quickly if public guidance fails to keep pace with new derogations, changed price caps, altered reporting requirements, new evasion typologies, or amended sectoral restrictions. The Commission’s Helpdesk article presents this problem from the perspective of SMEs that must decide whether altered sanctions environments permit a return to “business as usual” or require continued caution. The article explicitly links changing geopolitical conditions to the need for comprehensive FAQs and tailored support. This is a significant institutional acknowledgement. It means that certainty must be maintained actively rather than assumed once a regulation is published. In that sense, update discipline is not only a communications task. It is an element of enforcement design. A regime that updates its law but not its usable guidance invites divergence, delay, and preventable mistakes. A regime that updates both simultaneously stands a better chance of preserving coherent behaviour across the coalition^{7,8}.

The sanctions helpdesk illustrates how certainty can be operationally widened beyond large firms with sophisticated internal legal teams. The Commission describes the Helpdesk as an essential part of the Union’s efforts to help European operators, particularly SMEs, comply with sanctions worldwide, and notes that it offers personalised help for sanctions due-diligence checks. This is highly relevant for policy credibility. A sanctions regime that can only be navigated by major multinationals is likely to create resentment, market exit, and asymmetric implementation burdens across the Union. By contrast, a regime that provides practical support to smaller operators is more likely to sustain lawful participation and reduce unnecessary de-risking. The Helpdesk therefore does more than answer questions. It broadens the social base of implementable compliance. It also reduces the chance that uncertainty will be solved privately through crude self-protective assumptions. In a coalition system, legal certainty

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it.*

² European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia.*

³ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures.*

⁴ Foreign, Commonwealth & Development Office. (2020, updated 2026). *The UK Sanctions List.*

⁵ Office of Financial Sanctions Implementation. (2024, updated 2026). *UK Financial Sanctions FAQs.*

⁶ European Commission. (n.d.). *Overview of sanctions and related resources.*

⁷ Ibid.

⁸ European Commission. (2025, June 11). *Sanctions implementation.*

must be usable by the median operator, not only by elite compliance departments. That is one of the reasons why support architecture contributes directly to policy credibility^{1,2}.

The connection between legal certainty and market-level fairness is also central. The Council's Best Practices recommend that competent authorities notify rejected authorisation requests in order to minimise the risk of distorting competition in the internal market. That recommendation is easy to overlook, but it has major implications. It recognises that uneven interpretation or uneven information-sharing can shift commercial burdens arbitrarily across Member States and operators. One firm may receive timely clarity, another may remain trapped in uncertainty; one authority may license pragmatically, another may block excessively; one jurisdiction may absorb compliance cost while another benefits from looser practical assumptions. Such divergence is not only a technical issue. It affects the internal legitimacy of the sanctions' regime among participating states and firms. Where actors perceive the system as unpredictably unequal, long-term adherence becomes harder to sustain. Legal certainty is therefore connected not only to legality but to distributive credibility inside the coalition. A regime seen as coherent and even-handed is easier to maintain politically and economically than one experienced as patchy or arbitrary^{3,4}.

Comparative partner practice confirms the same general logic. The UK cross-government review of sanctions implementation and enforcement in May 2025 stated that strong enforcement is critical to impact, but also that this requires supporting the private sector to understand and comply with sanctions. The review further noted the importance of harnessing systemic efficiencies, improving information sharing, and minimising the administrative burden of compliance. OFSI's 2024–25 annual review then framed its own objective as ensuring that sanctions remain targeted and impactful while enabling businesses to operate with confidence and providing a growth-friendly regulatory environment. It reported prioritising clear communications, targeted guidance, responsive licensing, improved website accessibility, and practical updates through FAQs and alert services. A related explanatory memorandum for the 2024 amendments stated explicitly that codifying reporting obligations would provide “certainty and clarity” to persons that must comply while also strengthening the basis for enforcement. These partner-jurisdiction materials are analytically useful not because the EU should copy them wholesale, but because they show that mature sanctions systems increasingly treat clarity, transparency, and timely guidance as components of effectiveness rather than as concessions to business convenience. Legal certainty strengthens coercive policy when it makes disciplined compliance sustainable^{5,6,7,8}.

There is another reason why legal certainty matters for policy credibility: it affects whether firms view the regime as governable rather than merely punitive. OFSI's 2024–25 annual review states that businesses should be able to operate “with clarity and confidence”, while its FAQ and guidance ecosystem is designed to give short-form technical information and updated operational instructions. This does not mean that the state promises commercial comfort. It means that a sanctions regime that aspires to long-term effectiveness must remain intelligible enough for legitimate actors to stay inside the law. The alternative is a policy environment in which operators either withdraw from exposed sectors entirely or continue only through highly defensive, low-trust behaviour. Both outcomes can weaken sanctions. Total withdrawal may be acceptable or even intended in some domains, but indiscriminate exit from lawful and strategically useful activity can hollow out coalition capacity. Legal certainty therefore

¹ European Commission. (2025, June 11). *Sanctions implementation*.

² European Commission. (n.d.). *Overview of sanctions and related resources*.

³ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁴ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁵ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁶ Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁷ HM Government. (2024). *The Sanctions (EU Exit) (Miscellaneous Amendments) (No. 2) Regulations 2024: Explanatory Memorandum*.

⁸ Office of Financial Sanctions Implementation. (2026, February 9). *Financial sanctions enforcement: assessment and monetary penalties*.

supports not merely obedience, but calibrated obedience. That makes the regime more precise, less distortive, and more credible in the eyes of those expected to implement it. A sanctions policy that cannot be navigated predictably becomes harder to defend as a disciplined instrument of statecraft^{1,2,3}.

This same point applies within the EU financial sector, where certainty increasingly depends on supervisory convergence. The EBA guidelines are important not simply because they ask firms to have internal policies and controls, but because they provide a common reference point for competent authorities assessing those controls. In a multi-jurisdictional Union, supervisory convergence itself becomes part of legal certainty. If the same transaction logic is treated materially differently by different competent authorities, then firms are left navigating a formally common but practically fragmented regime. The EBA's attempt to establish common standards therefore contributes not only to compliance quality but to the credibility of the single market under sanctions conditions. It helps communicate that sanctions will be implemented through a common expectation set rather than through radically divergent national philosophies. This is especially important where institutions operate across borders and need assurance that compliance investments made in one part of the Union will not be rendered obsolete by incompatible supervisory practice elsewhere. Legal certainty, in this sense, is partly a convergence good. It is produced not only by texts and FAQs, but also by aligned supervisory treatment^{4,5}.

At the same time, legal certainty in sanctions policy should never be conflated with complete liability insulation. The Commission's FAQ page explicitly reminds users that only the Court of Justice can interpret EU law. The same caution appears in partner practice, where OFSI states that FAQs and guidance do not amount to legal advice and should be treated as supplementary to primary guidance. These caveats are not defects. They are an honest recognition of the constitutional and legal limits of administrative guidance. However, they do not deprive guidance of value. On the contrary, they clarify its correct function: to support implementation without usurping adjudication. In sanctions governance, that clarity about the status of guidance is itself part of legal certainty. Operators need to know both what guidance can do and what it cannot do. A regime in which soft-law materials silently claim more authority than they possess would create a different kind of uncertainty. Legal certainty is strengthened when guidance is robust, accessible, and timely, but also transparent about its own legal status^{6,7}.

The EBA consultation record further shows why operators demand clearer operational assumptions in high-friction areas. In the final report, respondents argued that interim freezing or rejection where information is insufficient should be set forth in legal EU requirements in order to prevent civil liability for financial institutions, especially given the high number of false positives that screening systems can generate. This is a revealing concern. It shows that, from the operator's perspective, uncertainty is not only about whether a person is listed. It is also about what the firm is expected or allowed to do while uncertainty is being resolved. In other words, legal certainty must extend to procedural posture, not merely substantive scope. Firms need to know when they may pause, when they must escalate, what follow-up due diligence is expected, and how temporary restraint interacts with potential private liability. Where these interim expectations are unclear, implementation becomes slower, more defensive, and less even. This does not necessarily mean that formal safe harbours are always required, but it does mean that the governance regime must provide clearer procedural signalling than a bare prohibition can

¹ Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

² Office of Financial Sanctions Implementation. (2024, updated 2026). *UK Financial Sanctions FAQs*.

³ Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

⁴ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁵ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁶ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

⁷ Office of Financial Sanctions Implementation. (2024, updated 2026). *UK Financial Sanctions FAQs*.

supply. Legal certainty in sanctions compliance is therefore partly about decision sequencing, not just decision outcomes¹.

Table 7.1.4-1. Operational Components of Legal Certainty in Sanctions Compliance

Component of legal certainty	Public instrument or channel	Compliance function	Credibility effect if strong	Risk if weak
Normative accessibility	Official Journal, EUR-Lex, sanctions map	Ensures operators can identify current law and legal acts	Signals procedural seriousness and institutional competence	Stale or incomplete legal awareness
Interpretative support	Consolidated FAQs, topic-specific FAQs, best-practice notes	Narrows ambiguity around definitions, scope, and derogations	Improves predictability and reduces arbitrary divergence	Over-compliance, under-compliance, conflicting interpretations
Operable designation data	Consolidated lists, searchable sanctions databases	Allows screening, alert triage, escalation, and audit	Strengthens confidence that designations can be implemented in practice	Technical failure, list mismatch, delayed screening updates
Decision support for operators	Sanctions helpdesk, national competent authorities	Provides workable assumptions for concrete cases and due diligence	Keeps SMEs and mid-sized operators inside the compliance system	Market exit, defensive de-risking, uneven burden on smaller firms
Convergence mechanisms	EBA guidelines, Council best practices, supervisory dialogue	Harmonises expectations across Member States and sectors	Sustains internal market fairness and coalition cohesion	Fragmented enforcement and forum-shopping incentives
Update discipline	FAQ revisions, alert services, list updates, guidance refreshes	Maintains alignment with evolving packages, caps, and typologies	Preserves long-term trust in the sanctions regime's governability	Implementation lag, confusion, fatigue, and credibility erosion

Authorship: prepared by the author on the basis of official EU institutional materials

Sources:

- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- European Commission. (n.d.). *Overview of sanctions and related resources.*
- European Commission. (2025, June 11). *Sanctions implementation.*
- Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures.*
- European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures.*
- European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions.*
- Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions.*

From here, the link to policy credibility becomes clearer. A sanctions regime is credible not only when it threatens penalties, but when participants believe it can be implemented consistently over time. Credibility has an external and an internal dimension. Externally, targets and facilitators must believe that the coalition can keep restrictions operationally intact even as they adapt. Internally, Member States, supervisors, and firms must believe that the regime remains governable and that compliance burdens are distributed in a reasonably intelligible way. Guidance ecosystems, list maintenance, update discipline, and co-ordinated best practices support both dimensions at once. They communicate that the coalition is not merely announcing restrictions but maintaining a live implementation architecture behind them. The opposite pattern—unclear rules, lagging updates, opaque licensing, inconsistent

¹ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures.*

supervisory treatment—signals fragility. Over time, such fragility can erode confidence not only among firms but among coalition members themselves. The policy implication is that credibility is maintained through administrative reliability as much as through political resolve^{1,2,3}.

This is where the concept of coalition durability becomes analytically useful. Coalition durability is partly a political variable, but it is also a function of implementation manageability. Where firms can comply with relative clarity, where authorities have common reference points, and where updates are timely enough to prevent interpretative drift, sanctions are easier to sustain over multiple years. By contrast, if compliance becomes an opaque exercise in constant guesswork, the administrative and political cost of maintaining the regime rises. Smaller operators become fatigued first, then supervisors and NCAs face inconsistent reporting and recurrent clarifications, and eventually political actors confront demands for simplification, carve-outs, or selective relaxation. The UK cross-government review's emphasis on improving information sharing and minimising the administrative burden of compliance speaks directly to this risk. So does the Commission's decision to develop a Helpdesk aimed especially at SMEs. By inference, predictability supports durability because it reduces the cumulative friction of participation in the sanctions' regime. A coalition can more easily sustain a demanding policy when that policy is hard in substance but legible in operation^{4,5,6,7}.

For the EU sanctions track against Russia, this conclusion is especially important because the regime is already cumulative, multi-package, and functionally cross-sectoral. Such a regime cannot rely indefinitely on initial political momentum alone. It requires a maintenance layer that preserves interpretative coherence, keeps lists and FAQs current, aligns supervisory expectations, and offers operators clear channels for escalation and support. The institutional evidence now points strongly in that direction. The Commission's resource architecture, the Helpdesk, the consolidated FAQs, the Council's best-practice framework, and the EBA's common guidelines all indicate that the Union increasingly understands legal certainty as a strategic compliance asset. This should not be read as technocratic embellishment. It is part of how sanctions remain durable under conditions of repeated amendment and adaptive circumvention. The more extensive the sanctions regime becomes, the more important this certainty layer becomes. In prolonged confrontation, credibility does not rest on headline package numbers alone. It rests on whether the coalition can continue to implement those packages without disintegrating into fragmentation, fatigue, or arbitrary divergence^{8,9,10,11}.

The main conclusion is therefore straightforward. The effectiveness of sanctions compliance is inseparable from legal certainty, and legal certainty is inseparable from policy credibility. Guidance, FAQs, consolidated lists, definitions, decision-support channels, and disciplined updating do not merely make sanctions easier to understand. They make them more governable, more even in their application, and more sustainable over time. In the EU context, these instruments help bridge the gap between formal law and distributed implementation across Member States and private operators. In comparative partner practice, similar developments confirm that clarity, accessibility, and responsive licensing are increasingly treated as components of sanctions effectiveness rather than as external conveniences. A credible sanctions regime is one that can impose costs on the target while maintaining procedural reliability for those expected to implement it. In that sense, predictability is not the opposite

¹ European Commission. (n.d.). *Overview of sanctions and related resources*.

² Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

³ Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁴ European Commission. (2025, June 11). *Sanctions implementation*.

⁵ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁶ Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁷ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁸ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁹ European Commission. (n.d.). *Overview of sanctions and related resources*.

¹⁰ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

¹¹ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

of pressure. It is one of the conditions under which pressure can be maintained. For the Russia-related sanctions architecture, this means that legal certainty should be treated not as a narrow juristic concern but as a core pillar of long-term compliance resilience and coalition durability^{1,2,3}.

7.2. Core Compliance Instruments

7.2.1. Screening, Listing Checks, and Beneficial-Ownership Verification

Screening, listing checks, and beneficial-ownership verification form the first operational layer through which sanctions become actionable in day-to-day market practice. A sanctions regime may be legally sophisticated, but it will remain weak in execution if firms cannot identify whether a counterparty, a related person, a vessel, an intermediary, or a transaction participant falls within the relevant prohibition. For that reason, these instruments should not be treated as mere technical preliminaries. They are the entry controls through which the compliance architecture begins to sort lawful from unlawful exposure. Their function is both preventive and classificatory. They prevent prohibited dealings before execution, and they classify the level of sanctions risk before the business process moves further downstream. In operational terms, this means that screening and ownership analysis are not auxiliary to compliance governance. They are the mechanisms by which compliance first acquires a concrete object. That object may be a person, an entity, a transaction, an ownership chain, a payment message, or a shipment participant, but without identifiable objects there can be no reliable sanctions control^{4,5,6}.

The starting point for this instrument layer is the sanctions list itself, but the list should be understood as an operational object rather than a static legal annex. The Commission's sanctions resources page states that DG FISMA manages the consolidated list of individuals, groups, and organisations subject to EU financial sanctions and updates it whenever necessary, while EUR-Lex provides official and comprehensive access to the underlying legal acts and is updated daily. This dual structure is significant. The *Official Journal* and EUR-Lex provide legal authority, while the consolidated list provides operational usability. The list is therefore part of the transmission mechanism that connects formal designation with actual screening practice. A similar logic is visible in the UK framework, where the FCDO publishes the UK Sanctions List and OFSI guidance explains both how the list is to be used and how quickly new listings or amendments are intended to be reflected. The existence of these maintained list infrastructures shows that governments themselves recognise that legal designations must be rendered searchable, updateable, and intelligible if they are to have real effect in private-sector systems^{7,8}.

Yet a list on its own does not solve the identification problem. The key operational distinction is between a name match and a target match. OFSI's guidance explains this with unusual clarity by stating that a match between the name of a person, entity, or ship and an entry on the list does not necessarily mean that the party in question is actually the sanctioned target. Operators must compare all available identifying information, including aliases, dates of birth, addresses, nationality, passport or ID details, and other markers, before concluding that the relevant person or entity is the listed one. OFAC's FAQ on

¹ European Commission. (2025, June 11). *Sanctions implementation*; European Commission. (n.d.). *Overview of sanctions and related resources*.

² European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

³ Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁴ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁶ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁷ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁸ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

valid matches follows the same logic in even more procedural terms. It directs users to distinguish whether the hit is truly against an OFAC list, to assess whether the type of subject matches, to review the degree of name correspondence, and then to compare all available identifying data before treating the result as actionable. This distinction matters greatly because poor screening governance can generate both false negatives and false positives. If matching criteria are too lax, sanctioned targets may slip through. If they are too crude, lawful business may be frozen or delayed without sufficient cause^{1,2}.

This is why high-quality screening depends on the attributes attached to a designation rather than on the name field alone. OFSI notes that the UK Sanctions List contains a range of information to aid identification, including primary names, aliases, dates of birth, places of birth, nationalities, passport details, national ID details, addresses, and official roles. The EBA guidelines reflect the same principle in a more systematised compliance format. They require PSPs and CASPs to define the types of data they will screen and to consider all data they hold about their customers, including information obtained through customer due diligence and travel-rule compliance. The guidelines also specify that screening should cover not only names but, where available, aliases, trade names, wallet addresses, and other relevant identifiers. In other words, sanctions screening is moving away from single-field comparison and toward multi-field identity resolution. This is a critical development because Russia-related evasion and circumvention often exploit the gaps between nominal identifiers, transliterations, beneficial owners, and operational intermediaries. A list-checking process that ignores those secondary fields remains formally present but functionally thin^{3,4}.

The question of transliteration and fuzzy matching is therefore not a mere software issue but a central element of screening design. The EBA guidelines require financial institutions to use screening systems capable of algorithm-based matching where the content screened is not identical but its spelling, pattern, or sound is a close match to the data contained in the screening dataset. They also require institutions to calibrate the degree of fuzzy matching in their systems and to document the rationale for those calibration choices. The EBA is explicit that calibration must be neither too sensitive nor insufficiently sensitive. If the system is too loose, it will miss designated persons, entities, or bodies. If it is too strict, it will generate an excessive volume of false positives and degrade operational quality. This is especially relevant in Russia-related sanctions because names may appear in different alphabets, under variant transliterations, or through partially incomplete data records. Effective screening therefore requires controlled approximation rather than exact literalism. A compliance system that insists only on exact identity of spelling will often fail in precisely the cases where sanctions evasion relies on transliterative and documentary variation⁵.

The EBA's supervisory findings reinforce the practical importance of this point. In its final report, the Authority notes that competent authorities reported common deficiencies in screening systems, including outdated or incorrect lists, overreliance on vendor systems, poor understanding of those systems by firms, inadequate screening frequency, and only limited fuzzy matching. These observations are highly instructive because they show that the problem is not simply the absence of screening. It is the weakness of screening governance. A bank or crypto-asset service provider may have a screening engine in place and still be badly exposed if it does not understand what data are being screened, how often the lists are updated, how alerts are generated, and how calibration interacts with false-positive volumes. Screening effectiveness therefore depends on human governance as much as on technical tools. The use of external screening software does not relieve the institution of responsibility. It merely

¹ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2015, January 30). *How do I determine if I have a valid OFAC match?*

³ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

⁴ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁵ *Ibid.*

changes the way responsibility must be exercised. In this field, outsourcing weak judgement is not equivalent to building strong control¹.

A further reason why screening should be treated as a core compliance instrument is that it is not limited to onboarding. The EBA guidelines require PSPs and CASPs to screen their entire customer database regularly and to determine the frequency of screening on the basis of their restrictive-measures exposure assessment. They also require trigger events to be specified in internal policy. These include the entry into force of a new restrictive measure, a new designation, a change in existing sanctions, onboarding or the start of a business relationship, significant changes in customer due-diligence data, and reasonable grounds to suspect circumvention. This is a major governance point. Screening is not a once-and-for-all gate at the moment of customer acceptance. It is a continuing process of re-evaluation tied to legal change, data change, and suspicion-based escalation. In sanctions practice against Russia, this matters because ownership structures change, designations expand, and circumvention patterns evolve. A screening system that is not event-driven will become stale even if it once functioned adequately².

The same logic applies at transaction level, where screening must move beyond the customer record and into the payment or transfer itself. The EBA requires PSPs to screen transfers of funds before making funds available to the payee and CASPs to screen crypto-asset transfers before making the assets available to the beneficiary. It further requires that all parties to transfers be screened against applicable restrictive measures and that relevant data include not only the originator and beneficiary, but also the purpose of the transfer, free-text fields, details of intermediate institutions, BIC and SWIFT identifiers, and wallet addresses where those are present in official restrictive-measures lists. This reveals a more advanced screening logic than simple counterparty comparison. The transaction itself becomes a data-rich object of sanctions analysis. This is especially relevant in cases where the sanctioned risk does not lie in the direct payer or payee alone but in the intermediate route, the payment narrative, or the concealed beneficial involvement of a listed party. Transaction filtering, in this sense, is the moving edge of sanctions detection³.

Listing checks therefore need to be understood as a workflow rather than a binary query. Once an alert is generated, a firm must decide whether the hit is a false positive, a plausible match requiring enhanced review, or a confirmed true positive requiring freeze, rejection, suspension, reporting, or referral. The EBA states that firms should have policies and procedures to investigate alerts without delay, document any decision taken in respect of alerts, and apply different levels of review depending on the restrictive-measures exposure assessment, including at least a two-person review in higher-exposure situations. It also requires that alerts be analysed by staff with the needed expertise and sufficient training. This is critical because alert resolution is the point at which screening becomes legal action. A poorly governed alert workflow can undermine even a technically strong screening engine. It may dismiss serious alerts too quickly, allow commercial pressure to override control, or keep matters in limbo without lawful basis. Properly designed alert management therefore functions as the bridge between automated detection and defensible decision-making⁴.

The EBA also makes clear that alert analysis must be supported by further due diligence where ambiguity remains. When in doubt about the trueness of a match, institutions are expected to use additional information that they may hold or obtain, including identification data not used at the initial screening stage, residence or registered address, nationalities, and representative, management, and organisational structure. This is analytically important because it demonstrates that screening is not self-sufficient. It is a trigger for structured inquiry. A firm that treats the initial alert as the whole exercise will either over-block or under-detect. A firm that uses the alert as the beginning of a targeted verification process is much more likely to identify real sanctions exposure accurately. In practice, this means that

¹ Ibid.

² Ibid.

³ Ibid.

⁴ Ibid.

sanctions-list screening and due diligence are not separate instruments. They are linked phases of a common control sequence. Screening narrows the field; due diligence resolves the ambiguity; escalation governs the decision¹.

At the same time, screening systems must manage the opposite problem of repetitive false positives. The EBA permits institutions to place repeatedly misidentified non-sanctioned persons or entities on a specific internal whitelist in order to avoid repeated false alerts, but it requires the reasons for this decision to be documented and the list to be reviewed immediately after new or amended restrictive measures enter into force or customer information changes. This is an important example of control refinement. It acknowledges that high false-positive volumes can degrade system usability, but it does not allow institutions to solve that problem informally or permanently. Whitelisting must itself be governed, reasoned, and updated. Otherwise, it risks becoming a covert blind spot through which newly relevant exposure is no longer detected. This example again shows that effective sanctions screening is not a purely technological question. It is an exercise in calibrated governance under changing legal conditions².

The role of outsourcing and third-party vendors further underlines this point. The EBA states that the ultimate responsibility for compliance with restrictive measures remains with the institution even when specific functions are outsourced, and that institutions must monitor and oversee the quality of the service provided. This is a significant principle because many firms rely on external vendors for list ingestion, screening software, name-matching tools, and alert-generation architecture. That reliance can be operationally useful, but it can also create a false sense of control. If the firm does not understand how the tool works, how it is calibrated, what data it excludes, how quickly it updates, or how false positives are managed, the presence of a vendor can become a source of complacency rather than resilience. Vendor dependence is especially dangerous in a sanctions' environment characterised by rapid legal amendment and increasingly complex circumvention patterns. A screening tool may be outsourced, but the accountability for screening cannot be outsourced³.

Beneficial-ownership verification enters at precisely the point where list-based screening reaches its practical limit. Sanctions rarely operate only through directly listed names. The relevant exposure may lie in a non-listed entity that is owned, controlled, or used for the benefit of a listed person. The Commission's asset-freeze FAQ states that if a listed person is deemed to own or control a non-listed entity, it can be presumed that control extends to the assets of that entity and that any funds or economic resources made available to that entity would reach or benefit the listed person. The FAQ also stresses that operators must exercise the highest caution when dealing with associated persons or entities and that if non-listed entities are deemed to be owned or controlled by listed persons, their assets must be frozen and no funds or economic resources can be made available to them. This is a decisive compliance principle. It means that sanctions-list screening alone is structurally incomplete. A party can escape the list and still remain sanction-relevant through ownership or control. Beneficial-ownership verification is therefore not a supplementary AML-like exercise bolted onto sanctions after the fact. It is one of the principal ways in which sanctions penetrate beyond formal legal personhood⁴.

The same Commission FAQ is equally clear that the EU does not maintain an official ready-made list of ownership percentages for all firms linked to sanctioned persons. It states explicitly that this is a task for EU credit institutions' compliance and due-diligence departments and points to EU Best Practices for guidance on ownership and control. This is analytically significant because it allocates responsibility for the ownership screen to the operator rather than to the listing authority. In other words, the public side defines the legal principle, but the private side must investigate and apply it in real cases. That allocation

¹ Ibid.

² Ibid.

³ Ibid.

⁴ European Commission. (2024, September 5). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

is central to the broader sanctions' compliance architecture. It confirms that beneficial-ownership verification is an operational obligation resting heavily on firms, especially financial institutions and other high-exposure intermediaries. It also means that sanctions compliance cannot be reduced to mechanical database consultation. It requires structured inquiry into who really owns, controls, or benefits from the counterparty with whom the firm is dealing^{1,2}.

Aggregate ownership rules make this verification task more complex and more important. The Commission's 2024 asset-freeze FAQ states that if two or more listed persons each hold minority stakes in a non-listed entity but their aggregate ownership amounts to 50% or more, that entity should be considered as owned by listed persons. OFAC's 50 Per Cent Rule follows a related aggregate-ownership logic, stating that entities owned 50% or more in the aggregate by one or more blocked persons are themselves considered blocked, including through direct and indirect ownership chains. These comparative materials matter because they show that sanctions systems increasingly seek to prevent fragmentation tactics whereby exposure is broken into multiple smaller stakes to avoid obvious control thresholds. Ownership analysis must therefore be cumulative, not atomistic. It must consider how apparently separate holdings combine within the same entity or group structure. A compliance process that screens only for single-majority ownership can easily miss the relevant sanctions nexus^{3,4}.

At the same time, the comparison between EU, UK, and U.S. approaches is instructive because it shows that ownership and control are not conceptually identical across regimes. UK guidance provides that an entity may be caught where a designated person holds more than 50 per cent of the shares or voting rights, has the right to appoint or remove a majority of the board, or where it is reasonable to expect that the person can ensure the entity's affairs are conducted in accordance with that person's wishes. OFAC's 50 Per Cent Rule, by contrast, explicitly speaks to ownership and not to control as such, while still warning that transactions involving non-blocked entities controlled by blocked persons can raise serious sanctions risk and may involve blocked persons acting on behalf of those entities. The EU approach, as reflected in the Commission FAQ, links ownership and control through the presumption that making funds available to an owned or controlled entity reaches or benefits the listed person. For compliance teams, the lesson is simple but demanding: ownership tests cannot be lifted mechanically from one jurisdiction to another. Screening and BO verification must reflect the logic of the regime actually being implemented^{5,6,7}.

The data problem behind beneficial-ownership verification is therefore substantial. FATF's 2023 and 2024 guidance emphasises that countries should ensure competent authorities have access to adequate, accurate, and up-to-date beneficial-ownership information and highlights the importance of mechanisms that verify that information. FATF explicitly links stronger beneficial-ownership transparency to the ability to identify corrupt actors, money launderers, tax evaders, and sanctions evaders who hide behind shell companies, complex corporate structures, and legal arrangements such as trusts. This matters directly for sanctions compliance. If beneficial-ownership information is stale, inaccurate, or inaccessible, then the ownership-and-control test becomes highly difficult to apply in real time. Firms may not know whether the immediate counterparty is the economically relevant actor or merely the outer shell of a listed person's network. The quality of BO verification therefore depends not only on firm-level diligence but on the wider information environment in which that diligence is

¹ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

² European Commission. (2024, September 5). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ Ibid.

⁴ U.S. Department of the Treasury, Office of Foreign Assets Control. (n.d.). *Entities Owned by Blocked Persons (50% Rule)*.

⁵ Ibid.

⁶ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

⁷ European Commission. (2024, September 5). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

performed. Public registries, cross-border co-operation, and verification standards all affect the strength of private sanctions screening^{1,2}.

The EBA guidelines incorporate this same reality at supervisory level by requiring institutions to assess whether the data they hold are sufficiently accurate, up to date, and detailed to determine if a party to a transfer, its beneficial owner, or any authorised representative is subject to restrictive measures. The guidelines also state that when screening legal persons, institutions should, to the extent that this information is available, screen beneficial owners through ownership interest, beneficial owners through control, and any person authorised to act on behalf of the customer. This is an important evolution in EU compliance expectations. It shifts sanctions screening away from a narrow list-versus-name model and toward a more relational model of exposure. The question becomes not only who the customer is, but who stands behind the customer, who controls the customer, and who is acting for the customer. In the Russia context, this shift is indispensable because evasion often depends precisely on inserting layers between the listed person and the visible transaction. Beneficial-ownership verification is therefore one of the main ways in which screening becomes anti-circumvention-capable^{3,4}.

The Commission's 2025 guidance on common high-priority items takes the same principle into the trade sphere. That document notes that Article 12gb also applies to persons who own or control legal persons established outside the Union that sell or export specified common high-priority items to third countries. This is important because it extends the screening logic beyond direct export relationships and into the ownership chains of third-country operators used in re-export structures. In practical terms, it means that beneficial-ownership verification is not only a financial-sanctions issue. It is also a trade-control issue. Screening the counterparty without examining who owns or controls it may be insufficient where the risk lies in the indirect use of intermediary distributors or procurement vehicles. This is precisely the type of pattern that has characterised Russia-related sanctions circumvention. BO verification therefore functions as a bridge between targeted financial restrictions and anti-circumvention trade controls^{5,6}.

Transaction filtering, listing checks, and beneficial-ownership verification also converge at the point of action. The EBA guidelines require PSPs to suspend without delay operations triggering an alert of a possible match with a designated person or entity, or one owned, held, or controlled by a designated person or entity, or whose beneficial owner is a designated person. If internal analysis confirms the match, the institution should immediately freeze the corresponding funds and stop the execution of the transfer. This is the clearest possible example of how the instrument layer operates as a chain. Screening produces the alert. Listing checks and due diligence determine whether the alert is a true positive. Ownership and beneficial-ownership analysis determine whether the legal nexus extends beyond the directly listed party. The escalation workflow then transforms that determination into freeze, stop, report, or further instruction from the competent authority. These instruments therefore should never be analysed in isolation. Their force lies in their ordered combination (European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*).

¹ Financial Action Task Force. (2023, March 10). *Guidance on Beneficial Ownership of Legal Persons*.

² Financial Action Task Force. (2024, March 11). *Guidance on Beneficial Ownership and Transparency of Legal Arrangements*.

³ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁴ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ Ibid.

⁶ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

Table 7.2.1-1. Core Identification Instruments in Sanctions Compliance

Instrument	Primary object screened or verified	Main operational function	Typical failure risk	Required governance response
Sanctions list check	Listed persons, entities, ships, wallet addresses, other listed identifiers	Establish whether a direct designation exists	Outdated lists, missed amendments, poor data ingestion	Immediate list updates, official-source alignment, version control
Name and identifier screening	Names, aliases, transliterations, dates of birth, IDs, addresses, BIC/SWIFT data	Distinguish name matches from target matches	False positives, false negatives, weak transliteration handling	Multi-field matching, calibration, fuzzy matching, trained review
Customer screening	Existing and prospective counterparties	Detect exposure at onboarding and during the relationship lifecycle	One-off screening only, no trigger events, stale customer data	Regular rescreening, event-driven updates, trigger-based review
Transaction screening/filtering	Payer, payee, intermediaries, free-text fields, transfer purpose, wallet data	Detect prohibited involvement before execution	Narrow focus on direct parties only, ignored free-text or intermediate identifiers	Pre-execution screening, full-party coverage, route and narrative review
Ownership/control analysis	Shareholdings, voting rights, board rights, de facto influence	Extend sanctions reach to non-listed entities owned or controlled by listed persons	Surface-only review, fragmented minority stakes ignored	Aggregated ownership analysis, control assessment, group-structure review
Beneficial-ownership verification	UBOs, trustees, controllers, authorised representatives	Identify hidden or indirect sanctions nexus	Inaccurate BO data, opaque structures, registry gaps	Enhanced due diligence, documentary verification, repeated review
Alert triage and escalation	Potential hits from screening systems	Convert technical alerts into lawful operational decisions	Commercial override, poor documentation, no escalation discipline	Defined alert workflow, trained staff, record-keeping, four-eyes review

Authorship: prepared by the author on the basis of official EU institutional materials and U.S. documents

Sources:

- European Commission. (n.d.). *Overview of sanctions and related resources*.
- European Commission. (2024, September 5). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.
- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.
- Financial Action Task Force. (2023, March 10). *Guidance on beneficial ownership of legal persons*.
- Financial Action Task Force. (2024, March 11). *Guidance on beneficial ownership and transparency of legal arrangements*.
- HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2015, January 30). *How do I determine if I have a valid OFAC match?*
- U.S. Department of the Treasury, Office of Foreign Assets Control. (n.d.). *Entities Owned by Blocked Persons (50% Rule)*.

The broader strategic implication is that identification instruments are also deterrence instruments. When firms know that they must screen not only direct names but also aliases, beneficial owners, intermediaries, wallet addresses, and transaction narratives, the compliance perimeter becomes harder to game. This raises the cost of circumvention because evasive structures must now conceal more relationships, not merely avoid a listed name. It also increases the chance that hidden nexus will surface through inconsistencies between customer data, transfer details, ownership information, and operational behaviour. In the Russia sanctions context, this matters greatly because many adaptive strategies rely on the assumption that control and benefit can be concealed behind formally clean counterparties. Screening and BO verification undermine that assumption when they are properly joined to due diligence and escalation. The value of these instruments therefore lies not only in what they directly catch, but also in what they make more difficult to attempt^{1,2,3}.

The main analytical conclusion is therefore clear. Screening, listing checks, and beneficial-ownership verification should be treated as core compliance instruments because they operationalise the threshold question on which all later controls depend: who is really involved in the transaction, relationship, or structure under review. They do this through list usability, multi-field matching, calibration, customer and transaction screening, ownership aggregation, beneficial-owner identification, and structured alert management. Each component addresses a different form of concealment or ambiguity. Together they turn sanctions from a set of abstract prohibitions into a practical identification regime. In the EU case, recent guidance and supervisory developments show a clear move toward more systematic, data-rich, and governance-intensive screening models. That trend is not accidental. It reflects the reality that sanctions against Russia now operate in an environment where direct designation alone is insufficient and hidden nexus has become a central enforcement problem. A durable sanctions architecture therefore requires durable identification instruments at its front end^{4,5,6}.

7.2.2. Trade-Control Compliance: Export, Re-Export, and End-Use Due Diligence

Trade-control compliance is the part of the sanctions architecture where legal prohibition must be translated into granular decisions about goods, routes, counterparties, documents, and intended uses. Unlike simple asset-freeze implementation, export and re-export compliance must intervene before physical movement occurs and often before the full downstream chain is visible. This makes trade compliance structurally predictive rather than merely reactive. Exporters, distributors, freight forwarders, customs brokers, logistics providers, and in many cases financial intermediaries must determine whether the transaction is lawful not only in its declared form but in its probable operational trajectory. The European Commission's 2023 guidance expressly states that it currently focuses on export-related sanctions and that EU operators are expected to have due-diligence measures for all relevant activities within the scope of EU sanctions. The same guidance explains that the Commission's lists of common high priority items and economically critical goods are meant to support due diligence and effective compliance by exporters, as well as anti-circumvention action by customs and enforcement agencies of partner countries. This means that trade-control compliance is not confined to classification of goods under annexes. It is a broader governance process aimed at preventing restricted items from reaching Russia directly or indirectly through intermediary channels. In the Russia context,

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² Financial Action Task Force. (2023, March 10). *Guidance on Beneficial Ownership of Legal Persons*.

³ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁴ Ibid.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁶ European Commission. (2024, September 5). *Asset freeze and prohibition to provide funds or economic resources: Frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

the decisive question is therefore not only whether export is formally prohibited, but whether the operator can demonstrate that it has taken proportionate steps to prevent diversion, re-export, or disguised military end use^{1,2}.

The operational logic begins with the recognition that export control and sanctions compliance are now functionally intertwined. The Commission's Trade and Economic Security page explains that Regulation (EU) 2021/821 governs the EU export control regime and includes common provisions for end-use controls on non-listed items, controls on brokering and technical assistance, record-keeping obligations, and a network of competent authorities supporting consistent implementation and enforcement throughout the EU. The same page further states that, in certain cases, additional EU restrictive measures apply to dual-use exports and directly points operators to Russia-related sanctions guidance and the list of high-priority battlefield items. This official presentation is important because it shows that the Union itself does not treat sanctions-related export restrictions as wholly separate from the wider export-control toolbox. Instead, the sanctions layer is superimposed on, and interacts with, the pre-existing dual-use control architecture. For operators, this means that compliance cannot be reduced to checking whether a good appears in Annex VII or Annex XL alone. It also requires understanding end-use controls, brokering restrictions, technical-assistance restrictions, record-retention obligations, and the availability or non-availability of authorisations. Trade-control compliance is therefore built as a hybrid discipline combining sanctions law, export-control method, and anti-circumvention vigilance. That institutional hybridisation is one of the reasons why the trade-control layer has become so central in the sanctions' regime against Russia^{3,4}.

A core function of trade-control compliance is therefore classification plus contextualisation. Classification asks what the item is in legal and tariff terms and whether it is covered by export prohibitions, dual-use controls, common high priority lists, or other sensitive categories. Contextualisation asks who is buying it, who will use it, how it will move, why it is being ordered, and whether the pattern of trade makes commercial and logistical sense. The Commission's 2023 guidance is explicit that operators should map out the types of products, transactions, and economic activities within their range of services that are at risk of being involved in Russia sanctions circumvention techniques. It then recommends a strategic risk assessment moving from identification of threats and vulnerabilities, to risk analysis, to the design of mitigating measures, and finally to implementation of those measures. This is a notable shift away from a purely item-centric mindset. Goods still matter, but the broader risk environment in which those goods are traded matters just as much. A compliant exporter is not one that simply reads a control list. It is one that knows how the product sits within the relevant circumvention ecosystem and adapts controls accordingly. In trade-control compliance, the legal identity of the item and the operational profile of the transaction must therefore be assessed together⁵.

This is why end-user and end-use due diligence now occupy such a central place in the compliance chain. The Commission's 2025 enhanced due-diligence FAQ for operators manufacturing or trading with common high priority items states that there is no single model for conducting due diligence and that operators should adapt their efforts to the risks identified using an effective yet proportionate approach. It then lists specific stakeholder-level questions, including whether all stakeholders involved in the transaction are known, whether they are targeted by EU sanctions directly or indirectly through ownership or control, who the end user is, whether the end use can be confirmed, and whether an end-user certificate can be provided. This is a very clear operational benchmark. It means that compliance

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

³ European Commission, Directorate-General for Trade and Economic Security. (n.d.). *Exporting dual-use items*.

⁴ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁵ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

is not satisfied by identifying the immediate purchaser alone. The operator must examine the actual user, the intended application, and the risk that the declared end use disguises diversion or military-industrial deployment. In the Russia setting, where intermediary jurisdictions and front companies are frequently used, this approach is indispensable. End-use and end-user due diligence are therefore best understood as the mechanism through which trade-control compliance reaches beyond the first contractual counterparty and into the probable downstream reality of the goods¹.

The practical content of end-use diligence also shows why trade-control compliance is deeply evidential in character. Operators are expected to ask not only who the end user is, but whether the stated use is plausible and documentable. The Commission's 2025 FAQ asks whether the end use can be confirmed and whether an end-user certificate can be provided. The G7's 2024 updated industry guidance takes the same logic further by recommending that, when red flags are encountered, traders inquire further regarding the end use, end user, and ultimate country of destination, request more information on customer history and business practices, and obtain written certification that items will not be transferred to parties in Russia or Belarus or to sanctioned parties in third countries. These are not symbolic additions. They are documentary instruments that make the customer commit to a specific downstream narrative and thereby create both evidential traceability and contractual leverage. In trade-control governance, documentation is not merely archival. It is part of how the operator tests whether the counterparty's story can withstand scrutiny. A transaction whose documentation resists completion, consistency, or independent verification is not only poorly documented; it is compliance-relevant by that very fact^{2,3}.

The EU's "no re-export to Russia" clause under Article 12g is one of the clearest examples of trade-control compliance being pushed from advisory practice into legal obligation. The Commission's FAQ on the clause states that Article 12g aims to combat the circumvention of EU export bans, especially where goods exported to third countries are re-exported to Russia. It explains that what had already existed as a good-practice contractual device is turned by Article 12g into a legal requirement for certain sensitive goods, thereby improving legal certainty and creating a deterrent effect on non-EU operators that might otherwise redirect controlled EU goods to Russia. The FAQ also states that exporters should not sell to non-EU operators unwilling to incorporate the clause and that paragraph 4 of Article 12g requires exporters to inform their national competent authorities as soon as they become aware of a breach or circumvention of the clause. This is a major development in the architecture of export compliance. It moves anti-diversion control from internal risk-management discretion into express contractual and reporting obligation. The EU is not only telling firms to be careful. It is requiring them to embed downstream non-re-export commitments into the legal structure of the transaction itself. This significantly strengthens the *ex ante* compliance perimeter⁴.

Article 12gb extends that logic even further by imposing an enhanced due-diligence obligation for operators trading in common high priority items and goods listed in Annex XLVIII. The Commission's 2025 FAQ explains that the purpose of this measure is to strengthen the due diligence of EU operators in response to the re-exportation of CHP items and certain Annex XLVIII goods to Russia, and that it also gives national competent authorities a tool to curb circumvention through third countries. It further states that the obligation applies not only to EU persons that sell, supply, transfer, or export such items, but also to EU persons that own or control legal persons established outside the Union that engage in such sales or exports, unless excluded by the provision. This matters because it broadens the compliance horizon. It recognises that diversion risk can arise not only through a direct export from the EU but also through controlled affiliates and distribution structures outside the Union. In practical terms, this makes re-export compliance a network-governance problem rather than a single-transaction

¹ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*

² Ibid.

³ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

⁴ European Commission. (2024, February 22; updated December 18, 2024). *Frequently asked questions concerning the "No re-export to Russia" clause and sanctions adopted following Russia's military aggression against Ukraine*.

problem. Operators are expected to consider not just the immediate shipment, but also the behaviour of foreign legal persons within their sphere of ownership or control^{1,2}.

High-risk routing analysis is another indispensable part of trade-control compliance because diversion often occurs through geography rather than through overt falsification alone. Both the 2023 Commission guidance and the 2025 Article 12gb FAQ ask operators to examine the country of transit and destination, whether that country neighbours Russia or Belarus, whether it offers easy transport access, whether it is otherwise known to re-export goods to those jurisdictions, and whether exports to those locations should be subject to enhanced vigilance or end-use controls. The 2025 FAQ adds that operators should consider transit through countries or territories known as circumvention hubs and, depending on their role, check the type of means of transport used, the routing, and the use of subcontractors. These questions are operationally significant because they reframe route analysis as a compliance obligation rather than a logistics detail. In this model, route choice carries evidential value. An unusual routing pattern, a newly favoured corridor, or a transit chain that makes little commercial sense can itself be a sanctions red flag. Trade-control compliance therefore demands that operators know not only what they are shipping but how and through whom it is moving^{3,4}.

Documentation scrutiny follows directly from this route-based logic. The Commission's 2025 FAQ asks whether there are unusual or abnormal elements in the documentation that do not match, e.g., between financial documents and the contract. The 2024 G7 guidance is even more specific, identifying false, inaccurate, or missing documentation as a key red-flag category, including false declarations of export authorisation, misclassification of goods, undervaluation of goods, use of one HS code at export and a different HS code on arrival in a third country, and civil end-use claims for items destined for companies known or associated with military entities. This is a powerful convergence between EU and G7 practice. It shows that document analysis is not a paperwork burden attached to the transaction after the main compliance work is done. It is itself a central detection instrument. When trade-control evasion becomes more sophisticated, document inconsistency often becomes the first visible symptom. Compliance teams therefore need the capacity to read documents relationally, comparing invoice value, shipping data, contract terms, customs codes, end-use declarations, and payment information for coherence rather than merely completeness^{5,6}.

Red-flag typologies are therefore not optional enhancements to compliance programmes. They are the method by which operators connect abstract legal restrictions to recurring patterns of evasion. The Commission's 2023 guidance states that various indicators should alert EU operators when they enter a commercial relationship with a new trading partner, and that, if operators find evidence of such indicators, they should launch deeper screening. The G7 guidance similarly lists indicators such as new importers or exporters of common high priority items, sudden changes in business activity after 24 February 2022, misclassification of goods, unusual routing through multiple third countries, freight forwarders listed as end users, circuitous routing of goods or financial flows, unexplained last-minute changes in parties, and customers unwilling to provide end-use assurances. The crucial analytical point is that these indicators are probabilistic, not determinative. No single red flag automatically proves illicit conduct, but the presence of unresolved red flags changes the compliance posture of the transaction. This is why both the Commission and the G7 stress risk-based deeper screening rather than automatic

¹ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

² European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

³ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁴ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁵ Ibid.

⁶ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

mechanistic blocking in every case. Typology-based compliance is thus a structured way of handling suspicion before it matures into an enforcement case^{1,2}.

The commercial-rationale test is one of the most useful tools inside this typology-based method. The Commission's 2023 guidance asks directly what the business rationale is for the transaction and whether the shipment seems in line with expectations regarding the prospective customer, or instead appears unjustified from a business perspective. This deceptively simple question is analytically powerful because many diversion schemes rely on preserving formal legality while eroding economic plausibility. A small or newly incorporated distributor may suddenly order sensitive technology in volumes inconsistent with its business model. A destination country with no apparent domestic market for a controlled item may become a fast-growing purchaser. A route may become longer, more expensive, and less efficient without any credible commercial explanation. These are not incidental features. They are precisely the type of deviations that distinguish normal trade from trade shaped by evasion pressure. The business-rationale test therefore serves as a bridge between sector knowledge and compliance law. It asks firms to use their understanding of markets and clients as a detection resource rather than pretending that sanctions risk can be evaluated purely through formal documentation^{3,4}.

Common high priority items have become the clearest substantive focus of this trade-control layer. The Commission's February 2024 CHPI page explains that the list is intended to support industry vigilance, while the BIS CHPL page states that the list is divided into four tiers, with Tier 1 items of highest concern because of their critical role in advanced Russian precision-guided weapon systems, Russia's lack of domestic production, and limited global manufacturers. The G7 guidance adds that the CHPL is intended to aid industry in conducting necessary due diligence and that, as of publication, it included 50 tariff lines identified by six-digit HS codes. This matters because it gives firms a shared multinational priority map. Rather than treating every controlled item as carrying identical diversion value, the CHPL/CHPI architecture focuses compliance attention on the goods most relevant to Russian warfighting capability. It thereby improves prioritisation, resource allocation, and cross-border coherence among coalition actors. In trade-control compliance, prioritisation is not a reduction in seriousness. It is a way of intensifying control where sanctions leverage is likely to be greatest^{5,6,7}.

That prioritisation logic also explains why the EU and partner jurisdictions increasingly use layered obligations rather than a single blanket control. The Commission's 2025 Article 12gb FAQ states that, for CHPI and Annex XLVIII goods, several obligations may apply simultaneously: direct or indirect export bans to Russia, contractual non-re-export obligations, intellectual-property-related prohibitions, and enhanced due diligence. The same FAQ makes clear that Article 12gb does not replace Article 12g. The two provisions work together. One imposes a contractual anti-diversion device for sensitive goods more broadly; the other imposes heightened due diligence for the most sensitive subsets. This layered approach is strategically rational. Different instruments address different stages of the diversion chain. Export bans block direct supply, contractual clauses raise downstream legal friction, and enhanced due diligence raises the evidential standard before the transaction is cleared. Trade-control compliance

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

³ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁴ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁵ European Commission. (2024, February 22). *List of common high priority items*.

⁶ Bureau of Industry and Security. (n.d.). *Common High Priority Items List (CHPL)*.

⁷ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

therefore operates most effectively when these instruments are combined rather than treated as substitutes^{1,2}.

The 2022 Commission notice to economic operators, importers, and exporters remains important because it set out the anti-circumvention baseline on which these later instruments were built. The notice advised EU operators to take adequate due-diligence measures to prevent circumvention both via exports to third countries from which goods could be diverted toward Russia and Belarus, and through imports from third countries from which the goods concerned could be diverted easily to the EU. It specifically drew attention to exports to countries of the Eurasian Economic Union because of free circulation within that area. It also advised operators to use contractual provisions making respect for sanctions an essential element of the contract and to ensure that third-country importers do not export the goods onward to Russia or Belarus or resell to parties unwilling to take the same commitment. Finally, it warned that EU customs authorities could carry out stricter controls and request conclusive evidence that goods were not being exported to or imported from Russia and Belarus via third countries. This notice is important because it shows that trade-control compliance in the Russia context has always been as much about routing and re-export risk as about the direct Russia nexus. What later became codified in Article 12g and strengthened in Article 12gb was already present in embryo in this early anti-circumvention logic³.

The U.S. and G7 materials reinforce this same point through a more openly typological vocabulary. BIS's 2023 guidance to prevent evasion of prioritised HS codes to Russia explains that it provides details on evasion typologies, highlights nine high-priority HS codes to inform customer due diligence, and identifies additional transactional and behavioural red flags to assist exporters and re-exporters in identifying suspicious transactions relating to possible export-control evasion. The document emphasises evaluation of end user and end use, asks whether the customer's line of business is consistent with the ordered items, and notes that physical location and public-facing website may themselves raise red flags. It then adds that anomalous increases in order volume or value, especially involving known transshipment points, should trigger additional information requests on end use and end user. The operational lesson is broader than the U.S. regime alone. It shows that advanced export-control compliance increasingly depends on risk-signalling patterns rather than only on static licensing rules. Typologies help operators identify what a plausible diversion attempt looks like before the goods move⁴.

BIS's 2023 customer-certification best practice adds another important dimension: compliance should sometimes require the customer to help carry the control downstream. The BIS document recommends collecting the full name and address of the non-GECC customer, line of business, website, transaction role, and, for new customers, a copy of the business licence. It further recommends asking what the customer intends to do with the item, whether it will be consumed, transformed, stocked, or resold, and, if the customer is not the end user, identifying the known end user. The suggested attestation also requires the customer to acknowledge that any re-export or transfer in-country to Russia or Belarus would require a licence, to screen subsequent parties against the U.S. Consolidated Screening List, and not to provide the item for end use by military, intelligence, national-police, missile, UAV, nuclear, chemical, or biological weapons users or uses. Even though this is U.S. best practice, the governance logic is directly relevant to EU operators as well. Trade-control compliance becomes stronger when downstream actors are made to commit explicitly to non-diversion obligations and when those commitments are documented, reviewable, and flow-down capable⁵.

¹ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

² European Commission. (2024, February 22; updated December 18, 2024). *Frequently asked questions concerning the "No re-export to Russia" clause and sanctions adopted following Russia's military aggression against Ukraine*.

³ European Commission. (2022, April 1). *Notice to economic operators, importers and exporters*.

⁴ Bureau of Industry and Security. (2023, May 24). *Guidance to Prevent Evasion of Prioritized Harmonized System Codes to Russia*.

⁵ Bureau of Industry and Security. (2023, September 14). *Best Practice: Certification to Prevent Diversion to Russia of Highest Priority Items*.

A related point is that trade-control compliance increasingly reaches beyond exporters narrowly defined. The G7 updated guidance states that all parties in the supply chain, including exporters, re-exporters, manufacturers, distributors, resellers, financial institutions, logistics companies, transport providers, freight forwarders, warehouse operators, and customs brokers, should be aware of the diversion risks posed by Russia's procurement efforts and adopt appropriate measures to mitigate them. This is highly significant. It means that end-use and routing diligence are not solely the exporter's burden. Different actors see different slices of the transaction, and the compliance architecture expects each to use the visibility it has. A freight forwarder may see routing anomalies first. A warehouse operator may observe unusual consolidations of small shipments into a larger onward shipment. A bank may notice a last-minute change in payment routing or a third-country payer with no commercial role. Trade-control compliance is therefore a distributed control system. Export law provides the legal frame, but operational prevention depends on the different supply-chain actors using their vantage point to interrogate the transaction^{1,2}.

This distribution of responsibility is one reason why catch-all logic remains so important conceptually even when the transaction does not involve a clearly listed good. The Commission's Trade and Economic Security page explains that Regulation (EU) 2021/821 contains common provisions for end-use controls on non-listed items, for example in connection with WMD programmes or human-rights violations. The significance of this for the Russia sanctions environment is indirect but real. It confirms that EU trade-control governance is not limited to fixed annexes. It also includes an end-use logic that allows risk to be assessed in relation to the use-case and recipient rather than only to the item's formal listing status. In policy terms, this helps explain why the EU's Russia-related export compliance discourse is so heavily focused on end use, end user, and circumvention typologies. Trade control is no longer simply a list-administration exercise. It is a risk-governance discipline built around the possibility that items, routes, or intermediaries may change the effective nature of the transaction. Catch-all reasoning is therefore part of the intellectual architecture that underpins enhanced due diligence in sanctions settings³.

None of this, however, means that operators are expected to eliminate all uncertainty. Both the Commission's 2025 FAQ and the G7 guidance stress that there is no one-size-fits-all approach and that due diligence should be risk-based, proportionate, and adapted to the operator's exposure. The EU FAQ notes that the depth and complexity of expected action depend on the operator's nature and size. The G7 guidance states that no single red flag is necessarily indicative of illicit conduct and that all surrounding facts and circumstances should be considered before determining whether a transaction is suspicious. This is an important balance. Trade-control compliance must be serious enough to detect adaptive evasion but not so blunt that every ambiguity becomes an automatic prohibition. The correct standard is disciplined proportionality. Operators must be able to show that they identified the relevant risks, asked the right questions, examined the right documents, and reacted properly where red flags remained unresolved. In trade-control compliance, effectiveness depends less on omniscience than on the quality of the procedure used to manage uncertainty^{4,5}.

¹ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

² European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

³ European Commission, Directorate-General for Trade and Economic Security. (n.d.). *Exporting dual-use items*.

⁴ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁵ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

Table 7.2.2-1. Core Trade-Control Compliance Instruments in Russia-Related Export and Re-Export Governance

Instrument	Primary compliance question	Typical operational checks	Main anti-circumvention function
Item classification and control-list review	Is the item controlled, restricted, or high-priority?	Annex checks, HS/CN/ECCN review, CHPI/CHPL relevance, dual-use status	Prevents misclassification and under-screening of sensitive goods
End-user due diligence	Who will actually receive and use the goods?	Corporate profile, business record, ownership/control, end-user certificate, sanctions screening	Detects disguised recipients and proxy structures
End-use verification	Is the declared use plausible and lawful?	Civil/military plausibility test, technical fit, customer business model, end-use assurances	Prevents false civil-use declarations and concealed military-industrial application
Route and logistics analysis	How will the goods move?	Transit countries, circumvention hubs, transport mode, subcontractors, route viability	Identifies diversion via third countries and suspicious logistics layering
Documentation scrutiny	Do the documents cohere across the transaction?	Contract-review, invoice value, HS-code consistency, licence references, shipping documents	Detects falsification, undervaluation, and document-level evasion signals
Contractual anti-re-export controls	Has downstream non-re-export risk been legally constrained?	Article 12g clause, liability wording, essential-element clauses, flow-down commitments	Adds legal friction and evidential leverage against third-country diversion
Enhanced due diligence for CHP / Annex XLVIII goods	Has higher-risk trade been subject to intensified checks?	Article 12gb process, strategic risk assessment, stakeholder and transaction-level questions	Focuses compliance resources on battlefield-relevant and diversion-prone items
Escalation and reporting	What happens when red flags remain unresolved?	Internal escalation, refusal/refrainment, NCA reporting, customs engagement	Converts suspicion into operational interruption and public follow-up

Authorship: prepared by the author on the basis of official EU institutional materials and other documents

Sources:

- European Commission. (2022, April 1). *Notice to economic operators, importers and exporters*.
- European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.
- European Commission. (2024, February 22; updated December 18, 2024). *Frequently asked questions concerning the “No re-export to Russia” clause and sanctions adopted following Russia’s military aggression against Ukraine*.
- European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.
- European Commission, Directorate-General for Trade and Economic Security. (n.d.). *Exporting dual-use items*.
- Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.
- Bureau of Industry and Security. (2023, May 24). *Guidance to Prevent Evasion of Prioritized Harmonized System Codes to Russia*.
- Bureau of Industry and Security. (2023, September 14). *Best Practice: Certification to Prevent Diversion to Russia of Highest Priority Items*.

For the Russia sanctions regime specifically, the strategic value of trade-control compliance lies in its ability to close the gap between formal prohibition and adaptive procurement behaviour. Russia and Russia-linked networks have repeatedly sought to reconstruct access to sensitive technologies through third-country distributors, altered routing, relabelling, transshipment points, proxy entities, and re-export structures. The trade-control layer is where the coalition tries to disrupt those patterns before they culminate in battlefield-relevant supply. The Commission’s guidance, the 2022 notice, the Article 12g and 12gb FAQs, the G7 updated guidance, and BIS best-practice materials all converge on the same

conclusion: effective compliance depends on combining item knowledge, counterparty knowledge, route knowledge, documentary discipline, and escalation readiness. In that sense, trade-control compliance is not a clerical extension of sanctions. It is one of the principal operating systems through which sanctions try to stay effective under conditions of persistent evasion. Its strength determines whether export bans remain materially constraining or become increasingly porous over time^{1,2,3}.

The main analytical conclusion is therefore straightforward. Trade-control compliance should be understood as a risk-based operational discipline that integrates export classification, end-user checks, end-use verification, route analysis, documentation scrutiny, contractual safeguards, and escalation procedures. It is effective when these elements are used cumulatively rather than sequentially or selectively. A transaction involving a high-priority item, a weakly documented end user, a circuitous route, inconsistent paperwork, and reluctance to provide assurances should not be assessed as five separate minor irregularities. It should be seen as a composite diversion-risk profile. The recent EU and G7 guidance architecture is moving clearly in that direction. It asks operators not merely to observe prohibitions, but to construct decision processes capable of detecting when apparently lawful trade may in fact serve re-export, sanctions evasion, or prohibited end use. For Part Seven of this report, that is the central point: export, re-export, and end-use due diligence are not peripheral features of sanctions compliance. They are among its most decisive operational instruments^{4,5,6,7}.

7.2.3. Financial, Insurance, and Payment-System Compliance

Financial, insurance, and payment-system compliance occupies a uniquely strategic place in the sanctions architecture because it sits at the point where commercial relationships are converted into executable value flows. A sale may be agreed, a cargo may be loaded, and a service contract may be signed, but if payment, insurance, or financial intermediation cannot lawfully proceed, the transaction often becomes commercially non-viable. This gives financial compliance a multiplier effect that exceeds the boundaries of banking narrowly defined. It does not merely enforce sanctions after the fact. It often determines *ex ante* whether a deal can settle, whether risk can be transferred, and whether counterparties are willing to remain engaged at all. In operational terms, financial sanctions are therefore not simply a category of restrictions among others. They are one of the principal means by which the wider sanctions regime is translated into friction, delay, denial, and service withdrawal. The European Commission's consolidated Russia FAQs are organised explicitly under the heading "Banking and Finance", while the EBA's 2024 guidelines frame restrictive-measures compliance as a governance and control problem for financial institutions and, separately, for payment service providers and crypto-asset service providers. Together, these materials show that the financial layer is treated by public authorities as a core operating system of sanctions implementation rather than as a secondary reporting obligation. That is analytically decisive for understanding the pressure architecture applied to Russia^{8,9}.

The first governance function of financial compliance is to convert sanctions law into transaction-level control. The EBA's 2024 guidelines state that institutions should put in place, implement, and maintain up-to-date policies, procedures, and controls for compliance with restrictive measures, and should

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

³ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

⁴ European Commission. (2022, April 1). *Notice to economic operators, importers and exporters*.

⁵ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁶ European Commission, Directorate-General for Trade and Economic Security. (n.d.). *Exporting dual-use items*.

⁷ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

⁸ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁹ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

allocate responsibility clearly within a sound governance structure. The guidelines also require a restrictive-measures exposure assessment so that institutions can determine what resources and controls are necessary for effective compliance. This is important because financial institutions are not merely passive conduits for payments. They are institutions that must decide, under legal pressure and often under severe time pressure, whether a payment, transfer, trade-finance instrument, or insurance-related service can proceed. The governance logic is therefore risk-based but not optional. Exposure assessment does not remove the rule-based obligation to freeze and not make funds available directly or indirectly to designated persons. It determines how the institution will recognise and manage that obligation across real-world operations. Financial compliance is thus a structured control environment built around the movement of value, not only a legal awareness exercise^{1,2}.

Payment-system compliance makes this operational role especially visible. The EBA's second set of guidelines, EBA/GL/2024/15, is specifically directed to payment service providers and crypto-asset service providers and sets out what they should do to comply with restrictive measures when performing transfers of funds or crypto-assets. The guidance makes clear that payment compliance is not exhausted by customer onboarding. It requires a screening system adequate and reliable enough to screen transfer data, parties, beneficial owners where relevant, and the information accompanying the transfer itself. The same document also states that PSPs should suspend without delay operations triggering an alert of a possible match with a designated person or entity, or one owned, held, or controlled by a designated person, and that once a possible match is confirmed they should immediately suspend execution, block incoming transfers, freeze the funds, and report the action to the relevant authority. This is a particularly clear example of sanctions compliance functioning as an interruption mechanism. The payment chain is not merely observed; it is paused, analysed, and if necessary immobilised. In a sanctions' regime against Russia, where alternative routes and intermediaries are actively sought, that interruption capacity is one of the main points at which the regime acquires practical force³.

The Commission's 2026 FAQ on the provision of payment services adds an important nuance to this picture by showing that payment-system compliance must also be legally precise. The FAQ states that Article 5b(2)(b) does not prohibit all payment services as defined in PSD2, but targets specific services such as issuing instruments, acquiring, and initiating, while direct bank transfers and cash withdrawals may continue subject to other compliance responsibilities under EU sanctions rules. The same FAQ clarifies that access to online or mobile banking may continue because Regulation 833/2014 contains an exemption for personalised security credentials necessary to access an existing account. This is highly relevant for compliance design. It shows that payment-system sanctions are not supposed to collapse into indiscriminate financial exclusion. Instead, they must be implemented in a granular way that distinguishes between prohibited enabling services and permitted basic account access or non-prohibited payment functions. In compliance terms, this requires system-level differentiation rather than blanket service denial. The operational challenge is therefore twofold: to stop prohibited payment functionality while preserving those channels that remain lawfully available. This is one of the clearest examples of how legal precision and technical control must work together in the financial layer^{4,5}.

Instant payment systems intensify these challenges because they compress the time available for sanctions review. OFAC's guidance on instant payment systems states that these systems allow payment transmission and the availability of funds to payees to occur almost in real time and that the high velocity of such payments has led to questions across the financial sector regarding how best to

¹ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

² European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

³ Ibid.

⁴ European Commission. (2026, March 13). *Frequently asked questions on the provision of payment services concerning sanctions adopted following Russia's military aggression against Ukraine*.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

implement sanctions compliance in this context. OFAC responds by insisting on a risk-based approach and by encouraging developers of instant payment systems to incorporate sanctions-compliance considerations into system design. It also recommends communication features that allow institutions to gather information relevant to sanctions alerts and exception-processing features that permit a transaction to be removed from the automated process so that an institution has sufficient time to investigate potential sanctions concerns. This guidance is operationally important because it recognises that the speed of a payment rail cannot be allowed to defeat the logic of sanctions control. Real-time settlement is commercially valuable, but near-instant execution without usable exception channels would either generate violations or force indiscriminate blocking. Payment-system compliance therefore becomes partly a matter of infrastructure design. The architecture of the rail itself must make legally informed delay possible^{1,2}.

This point is even more important when payment services are assessed from a cross-border perspective. OFAC's instant-payment guidance states that domestic instant payment systems generally pose lower sanctions exposure than systems permitting cross-border transactions, and that institutions should base decisions on whether and how to screen such transactions on their risk assessment. The implication is that payment-system compliance is not uniform across rails, products, and geographies. The more cross-border, higher-volume, and data-fragmented a system becomes, the more sensitive it is to sanctions risk. That does not mean all cross-border payments are inherently suspect. It means that system design, onboarding standards, and transaction screening norms must be calibrated to the actual probability that a sanctions nexus will appear. This is particularly important in the Russia context, where routed payments, substituted intermediaries, and modified messaging patterns may be used to preserve access after direct channels have narrowed. Payment-system compliance is therefore not only about detecting listed names. It is about preserving enough informational and procedural control within fast-moving payment systems to prevent speed itself from becoming a circumvention vector^{3,4}.

The role of correspondent banking and financial messaging is similarly central because sanctions frequently operate by constraining the channels through which cross-border payments are communicated and settled. The Commission's consolidated FAQ explains that Article 5h of Regulation 833/2014 prohibits the provision of specialised financial messaging services to certain Russian banks and to Russian entities more than 50 per cent owned by banks listed in Annex XIV. It then clarifies that while transactions for non-sanctioned trade may still be allowed with de-SWIFTed banks using other means of communication, financial-messaging service providers subject to EU sanctions must not circumvent the prohibition by setting up systems that, under a formal appearance of legality, enable the relevant bank to avoid the substance of the restriction. This is highly instructive for compliance analysis. It shows that messaging infrastructure is not neutral plumbing. It is an object of sanctions control in its right. It also shows that financial compliance must distinguish between the prohibited provision of specialised infrastructure and the continued permissibility of non-prohibited trade using other lawful channels. Correspondent and messaging controls therefore operate at the boundary between outright decoupling and managed residual connectivity⁵.

From a compliance-engineering perspective, one of the clearest lessons of partner-jurisdiction practice is that the financial system itself can become the site of violation even when the underlying trade occurs elsewhere. OFAC's 2019 framework identifies as a recurring root cause the use of the U.S. financial system, or the processing of payments to or through U.S. financial institutions, for commercial transactions involving sanctioned persons or countries. It notes that many non-U.S. persons have

¹ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2022, September). *Sanctions Compliance Guidance for Instant Payment Systems*.

³ Ibid.

⁴ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

violated OFAC regulations by processing financial transactions, often denominated in U.S. dollars, through U.S. financial institutions in connection with sanctioned activity, and that such cases often involved attempts to conceal activity by stripping or manipulating payment messages or making false representations to banks. This matters beyond the U.S. context because it illustrates a general compliance problem: the payment route itself can activate sanctions exposure even where the goods, services, and immediate parties sit outside the primary jurisdiction. For institutions dealing with Russia-related flows, correspondent banking controls therefore serve both as a legal filter and as a channel-risk indicator. The bank is not simply an intermediary. It is a sanctions gatekeeper whose participation can itself make the transaction unlawful or detectable¹.

This is one reason why suspicious-activity logic in sanctions compliance cannot be collapsed entirely into ordinary AML reporting. OFSI's 2026 general guidance states that an obligation to report to OFSI is additional to any other sanctions reporting obligations, including reports required by regulators or Suspicious Activity Reports submitted to the National Crime Agency under the Proceeds of Crime Act 2002. The guidance expressly adds that reporting to a regulator or submitting an SAR does not fulfil reporting obligations under financial sanctions. This distinction is operationally significant. AML suspicion may focus on criminal proceeds or unusual movement of value, while sanctions suspicion focuses on prohibited nexus, asset freezes, ownership and control, or circumvention of restrictive measures. The two can overlap, but they are not identical. For financial institutions, this means that suspicious-activity logic in the sanctions field must be designed with its escalation pathways, reporting thresholds, and documentation disciplines. The result is a dual-reporting environment in which sanctions-specific alerts must be handled under sanctions rules even when the same facts also raise AML concerns^{2,3}.

This reporting distinction also affects how institutions think about asset-freeze implementation. The Commission's consolidated FAQ states that the obligation to freeze assets is activated as soon as the holder has reasonable grounds to believe the assets are owned or controlled by a listed person, while the EBA requires PSPs to suspend operations without delay upon a possible match and to freeze without delay once the match is confirmed. OFSI's general guidance then overlays statutory reporting duties, annual frozen-asset reviews, and additional reporting requirements for designated persons under the Russia and Belarus regimes. In practical terms, this means that financial compliance is not limited to screening at the front end. It also includes continuing obligations once funds or economic resources have been immobilised. Institutions must preserve the freeze, document the basis, report through the proper channel, and keep those controls current over time. The freeze is not a one-off event; it becomes a governed state of the asset. This gives financial compliance an enduring custodial dimension that differs from transaction rejection or initial service denial^{4,5,6}.

The insurance layer adds another essential dimension because it determines whether high-risk transactions can be commercially absorbed and legally serviced. OFSI's maritime-shipping guidance states that UK financial sanctions present unique challenges for those engaged in insurance within the sector and explains that direct insurance, reinsurance, retrocession, insurance intermediation, and services auxiliary to insurance are all considered financial services under UK sanctions regulations. It further notes that making economic resources indirectly available is also a breach, including where insurance coverage is made available to a body corporate owned or controlled by a designated person, and that proxy arrangements may be used to procure insurance on behalf of a designated person. This

¹ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

² HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

³ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁴ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁵ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁶ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

is a highly significant compliance principle. It shows that insurance compliance is not only about checking whether the named insured is itself designated. It also requires understanding who benefits from the coverage, who procures it, and whether the cover is being used to shield a transaction or vessel that would otherwise lose access to legitimate risk transfer. Insurance thus functions as both a service and a risk-carrier. Denying that service can have strong coercive effects¹.

The maritime context demonstrates particularly well why insurance compliance is inseparable from beneficial-ownership analysis and anti-evasion due diligence. OFSI's maritime-shipping guidance identifies maritime insurance companies, charterers, ship brokers, ship owners, bunker suppliers, and financial institutions involved in maritime trade finance as actors especially exposed to sanctions risk. It recommends regular risk-based due diligence, including collection and verification of information on beneficial owners, vessel flag details, home ports, and recent ports visited. It also advises that where a company wants to register a vessel or obtain insurance or financing, all parties could ask for thorough documentation about the ultimate beneficial owner or owners of the vessel and verify that information based on the risk level involved. This is a clear illustration of the broader compliance pattern seen elsewhere in Part Seven: identification, verification, and service provision cannot be separated. In the maritime sector, a failure to understand who really owns the vessel, who operates it, and what trade it supports can turn insurance into an unwitting channel of sanctions evasion².

EU practice reinforces the same point through asset-freeze logic. The Commission's consolidated FAQ states that ships fall under the asset freeze where they are assets owned or controlled by a listed person and that no services, including maritime services, can be provided to ships owned by listed persons. It goes further in relation to Sovcomflot, stating that it is prohibited for EU operators to provide any funds or economic resources to Sovcomflot and that it is likewise prohibited to provide any funds or economic resources to vessels owned by Sovcomflot because those would be presumed to reach or benefit the company. The significance of this for insurance compliance is obvious. Insurance, reinsurance, P&I cover, financing support, and related maritime services cannot be assessed only at company level if the vessel itself is an asset whose servicing would amount to making economic resources available to a listed party. Service-denial mechanisms thus operate not only against named corporate entities but against the specific operational assets through which trade is conducted³.

The Price Cap Coalition's 2024 updated advisory for the maritime oil industry shows how the insurance layer is also used as a quality-control and risk-screening device. The advisory warns that ships involved in the shadow trade may rely on unproven P&I insurers operating in opaque jurisdictions with insufficient capital, reinsurance arrangements, or technical expertise to handle a major claim. It then recommends that stakeholders require continuous and appropriate maritime insurance coverage for the entirety of voyages and require vessels to be insured by legitimate providers with sufficient coverage for relevant liabilities. Where that is not the case, the advisory recommends due diligence into the insurer's financial soundness, track record, regulatory record, and ownership structure. This is a crucial evolution in compliance logic. Insurance is no longer treated only as a service that may need to be withdrawn if prohibited. It is also used positively as a proxy indicator for whether a vessel and its wider network remain inside the reputable maritime-services ecosystem. Weak, opaque, or fraudulent insurance becomes a red flag for shadow-fleet activity and price-cap evasion⁴.

The same advisory links insurance compliance directly to broader service-denial dynamics. It notes that deceptive practices in the shadow trade may trigger de-risking behaviour from counterparties and lead to loss of access to reputable service providers, financing, customers, and ports. This is an analytically important observation because it captures how sanctions pressure often operates indirectly through

¹ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *Financial sanctions guidance for maritime shipping*.

² Ibid.

³ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ Price Cap Coalition. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

private risk withdrawal rather than solely through formal designation. Where a vessel or shipping structure becomes associated with poor insurance, AIS manipulation, ownership opacity, or opaque ancillary-cost structures, reputable market actors may disengage even before a formal enforcement action is completed. This is not merely over-compliance. In many cases it is a rational response to the difficulty of separating lawful trade from sanctionable conduct in a contaminated risk environment. Insurance, therefore, can function as both a direct compliance instrument and a reputational signal that influences the wider ecosystem of finance, logistics, and port access^{1,2}.

OFSI's oil-price-cap and maritime-services guidance demonstrates how service-denial mechanisms can also be structured through attestation, general licensing, and breach reporting rather than only through blunt prohibition. The UK guidance page explains that the maritime-services ban and oil-price-cap exception are implemented through industry guidance, reporting forms, and general licences. It also indicates that there is a specific general licence on correspondent banking and payment processing to address the financial-services scope of the maritime-services ban. The same page records updates clarifying that, in some circumstances, actors must cease doing business with counterparties who refuse or fail to provide required information and that online reporting channels exist for suspected breaches and compliance issues related to the maritime transportation of Russian oil and associated services. This is operationally significant because it shows that service denial is not arbitrary. It is tied to documentary cooperation, attestation integrity, and compliance responsiveness. A party that cannot or will not provide the information necessary to establish lawful conduct may lose access to the relevant services^{3,4}.

Financial institutions are also increasingly expected to function as trade-finance gatekeepers in the export-control environment linked to Russia sanctions. BIS's October 2024 guidance to financial institutions states that their responsibilities under the EAR have increased significantly following Russia's further invasion of Ukraine and the broader national-security imperative surrounding export controls. This is important because it expands the role of banks beyond classic payments screening. Trade-finance providers, correspondent banks, and institutions handling documentary credits or supply-chain finance are also expected to detect export-control and sanctions risk embedded in the underlying trade. That means banks may need to examine end-user information, transaction parties, documentation quality, and jurisdictional routing when deciding whether to process or support trade. Financial compliance in the Russia context therefore intersects increasingly with trade-control compliance. The payment institution is no longer only a settlement agent. It is also a point of scrutiny for whether the commercial activity being financed is itself lawful⁵.

These overlapping functions help explain why the OFSI annual review emphasises clear communications, targeted guidance, and responsive licensing across the financial services, cryptoasset, and maritime sectors. OFSI states that its core objective is to ensure sanctions are targeted and impactful while enabling businesses to operate with confidence, and reports tailored support across financial services, legal services, cryptoasset, charity, and maritime sectors. This is a useful reminder that the financial layer is not governed solely through punishment. It is sustained through ongoing interface management between regulators and market actors. In high-friction environments like sanctions against Russia, clarity about reporting, licensing, screening expectations, maritime sector obligations, and oil-price-cap procedures becomes part of compliance effectiveness itself. Financial

¹ Ibid.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 31). *Sanctions Guidance for the Maritime Shipping Industry*.

³ Office of Financial Sanctions Implementation & HM Treasury. (2026, January 15 update). *Maritime Services Ban and Oil Price Cap: licences and reporting forms*.

⁴ Office of Financial Sanctions Implementation. (2026, January 15 update). *Maritime Services Ban and Oil Price Cap: industry guidance*.

⁵ Bureau of Industry and Security. (2024, October 9). *Guidance to Financial Institutions on Best Practices for Compliance with the Export Administration Regulations*.

and insurance institutions need not only prohibitions, but workable assumptions under which they can refuse, freeze, report, or continue lawfully^{1,2}.

The cumulative logic of this instrument cluster can therefore be described as one of value-channel governance. Payment systems control transfer execution. Banks control settlement access, account relationships, and trade-finance facilitation. Insurers control whether risk can be externalised and voyages can proceed within the legitimate maritime-services ecosystem. Messaging systems control whether financial communication itself can lawfully occur. Reporting systems convert alerts, freezes, and suspicions into public action. Each component addresses a different point in the chain, but together they determine whether value, risk, and service can continue to circulate. That is why financial, insurance, and payment-system compliance should be analysed not as a subchapter of banking technique but as one of the main pressure systems of sanctions policy. In the Russia case, where alternative logistics, shadow fleets, and rerouted payments have become central to circumvention, control over these channels is often more consequential than control over the formal contract alone^{3,4,5}.

Table 7.2.3-1. Core Financial, Insurance, and Payment-System Compliance Instruments

Instrument cluster	Primary control object	Key operational tools	Main compliance effect
Banking and asset-freeze compliance	Accounts, funds, economic resources, payment relationships	Sanctions screening, freeze orders, reporting to competent authorities, ownership/control checks	Prevents funds from being made available directly or indirectly to sanctioned persons or entities
Payment-system compliance	Transfers of funds and crypto-assets, payment instruments, acquiring and initiation services	Transaction screening, alert adjudication, suspension without delay, exception processing, data review	Interrupts prohibited or suspicious value transfers before execution or settlement
Correspondent banking and messaging controls	Cross-border communication and settlement channels	Messaging restrictions, route scrutiny, payment-message integrity review, correspondent controls	Denies or constrains access to international payment infrastructure and reduces channel-based circumvention
Suspicious-activity and sanctions reporting	Alerts, freezes, possible circumvention, frozen-asset holdings	Sanctions-specific reporting, frozen-asset reviews, escalation to OFSI/NCAs, separate SAR logic where relevant	Converts private detection into public supervisory or enforcement follow-up
Insurance and reinsurance compliance	Cover for vessels, cargo, aviation/space goods, ancillary financial services	Insured-party screening, ownership/control analysis, proxy-risk checks, denial of cover or renewal	Removes lawful risk-transfer services from sanctioned or high-risk actors
Maritime and oil-price-cap service controls	Russian oil transport chains, shadow-fleet vessels, associated service providers	P&I due diligence, AIS-related red flags, attestation models, itemised cost review, breach reporting	Blocks access to reputable maritime services and disrupts evasion of the oil price cap
Trade-finance and export-linked financial controls	Documentary credits, supply-chain finance, export-related payment flows	Counterparty screening, documentation review, end-user/end-use sensitivity, route analysis	Extends sanctions and export-control discipline into financing and settlement of trade

Authorship: prepared by the author on the basis of official EU institutional materials and other documents

Sources:

¹ Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

² HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

³ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ Price Cap Coalition. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁵ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 31). *Sanctions Guidance for the Maritime Shipping Industry*.

- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- European Commission. (2026, March 13). *Frequently asked questions on the provision of payment services concerning sanctions adopted following Russia's military aggression against Ukraine.*
- European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures.*
- HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance.*
- HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *Financial sanctions guidance for maritime shipping.*
- Office of Financial Sanctions Implementation & HM Treasury. (2026, January 15 update). *Maritime Services Ban and Oil Price Cap: licences and reporting forms.*
- Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments.*
- Office of Foreign Assets Control. (2022, September). *Sanctions Compliance Guidance for Instant Payment Systems.*
- Office of Foreign Assets Control. (2024, October 31). *Sanctions Guidance for the Maritime Shipping Industry.*
- Price Cap Coalition. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors.*
- Bureau of Industry and Security. (2024, October 9). *Guidance to Financial Institutions on Best Practices for Compliance with the Export Administration Regulations.*

The main conclusion is therefore clear. Financial, insurance, and payment-system compliance is one of the most coercively efficient parts of the sanctions architecture because it governs the circulation of value, the availability of risk-transfer services, and the usability of settlement infrastructure. It does so through screening, freezing, transaction suspension, sanctions-specific reporting, insurance denial, maritime due diligence, and infrastructure-level controls over messaging and payment execution. In the Russia sanctions context, this cluster matters especially because circumvention frequently depends on alternative financial channels, opaque vessel ownership, manipulated trade documentation, and shadow-fleet service arrangements. The stronger the financial and insurance compliance layer, the harder it becomes for those adaptive structures to preserve commercially viable access to legitimate markets and services. For that reason, this cluster should be treated not as a technical annex to sanctions policy but as one of its principal operational pressure mechanisms^{1,2,3}.

7.2.4. Licensing, Derogations, Internal Controls, and Audit Trails

Licensing, derogations, internal controls, and audit trails form the governance layer that allows sanctions compliance to operate lawfully under conditions of complexity rather than collapse into either mechanical prohibition or uncontrolled discretion. Sanctions regimes are not built only from bans and designations. They also contain exceptions, derogations, authorisation procedures, reporting duties, and institutional requirements for how firms are to organise decision-making. This makes the compliance task qualitatively different from simple rule recognition. The operator must not only identify a prohibition, but also determine whether the activity may proceed under an exemption, requires prior authorisation, must be routed through a frozen account, or must be rejected outright. At the same time, it must be able to show, retrospectively, why that decision was taken and on what evidence. This is where internal governance and record discipline become decisive. Without them, licensing and derogation regimes generate uncertainty, inconsistency, and enforcement risk. With them, sanctions law becomes

¹ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures.*

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments.*

³ Price Cap Coalition. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors.*

not only restrictive but administrable. In practical terms, this section concerns the infrastructure of lawful exception-handling and defensible compliance rather than the front-end detection tools analysed in Sections 7.2.1–7.2.3^{1,2,3}.

The first analytical point is that licensing and derogations are not loopholes in the sanctions’ regime. They are structured legal devices through which restrictive measures remain targeted, proportionate, and administrable. The Commission’s consolidated FAQs explain that Member States and their national competent authorities are responsible for implementation and enforcement of EU sanctions, including authorisation procedures such as processing times, information and documents required, and the duration of an authorisation. The same FAQ states that, while a national competent authority may grant “bundled authorisations” for similar services offered under the same derogation to the same Russian client during a defined period, Council Regulation 833/2014 does not foresee general authorisations covering entire sectors or activities because such a general authorisation would amount to a de facto exemption requiring explicit Council action. It further notes that, according to the Court of Justice, competent authorities must assess authorisation requests on a case-by-case basis and may not give general approval relieving entities of the need to request authorisation individually. This framework is highly significant. It means that licensing is an instrument of controlled flexibility rather than general relaxation. It allows sanctions to accommodate legally recognised necessities without dissolving into broad administrative permissiveness⁴.

This case-by-case logic matters because it defines the legal discipline under which derogations operate. A derogation is not a private interpretation that a firm may apply on its whenever the transaction seems commercially or ethically compelling. It is a legally structured path that normally requires prior authorisation where the regulation so provides. The Commission’s FAQ makes clear that authorisations issued by a national competent authority are valid only within that Member State and are not automatically valid in another Member State, including where a parent company and subsidiary operate in different jurisdictions. Operators planning to provide services from multiple Member States must therefore request authorisations in each relevant Member State, while informing their authorities when similar authorisations are being sought elsewhere so that competent authorities can exchange information. This is an important institutional safeguard. It prevents a derogation regime from becoming a fragmented patchwork of uncoordinated permissions that could be exploited through forum-shopping or legal arbitrage. Licensing, in other words, is not just about permission. It is about maintaining the unity of the sanctions regime while allowing limited lawful passage through restricted space^{5,6}.

The Council’s 2024 Best Practices document reinforces this structure by treating authorisation handling as a co-ordination problem as much as a legal one. It states that where a regulation provides for an authorisation regime and so requires, competent authorities should inform the other competent authorities and the Commission of rejected authorisation requests. Even where a regulation does not explicitly impose such a duty, the Best Practices still recommend that competent authorities aim to notify rejected requests in order to minimise the risk of distorting competition in the internal market. This is a very important governance principle. It recognises that sanctions implementation can become uneven not only when authorisations are granted too freely, but also when refusals are not communicated and different Member States unknowingly approach similar applications differently. A licensing regime without communication creates room for duplicated applications, inconsistent outcomes, and unequal burdens across the Union. The legal structure of derogations therefore depends

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

² Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

³ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

⁴ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*

⁵ Ibid.

⁶ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

on an informational structure that supports coherence. Compliance, in this part of the regime, is inseparable from inter-authority visibility¹.

The same Council document also clarifies that derogation handling must remain sensitive to purpose and urgency. It states that competent authorities should treat requests for authorisations for humanitarian purposes with priority where appropriate, ensure that applicants are aware of the process, contact points, and indicative timeline, and require applicants to explain the urgency and underlying humanitarian purpose in their applications. This is not a minor administrative courtesy. It is part of how the sanctions regime preserves political and legal legitimacy under high-pressure conditions. Humanitarian derogations are credible only if they are real, accessible, and processed in a manner that does not defeat the urgent needs they are meant to address. At the same time, they must remain sufficiently disciplined to prevent misuse or disguised circumvention. The Council's formulation captures that balance. It does not treat humanitarian handling as automatic. It treats it as priority-based, process-based, and evidentially grounded. Licensing and derogations are therefore not only about deciding yes or no. They are about designing a procedural environment in which lawful urgency can be distinguished from opportunistic invocation².

Another important element in this legal-operational architecture is the use of conditions attached to authorisations. The Council Best Practices state that, when competent authorities authorise uses of frozen funds or economic resources, they should consider conditions or safeguards to avoid released funds or resources being used for purposes incompatible with the derogation, and specifically note that direct bank transfers are preferable to cash payments. The same document states that authorisations in such circumstances should normally require payments to be made to a frozen account and that any payment in cash should be explicitly authorised. This is a highly practical compliance principle. It shows that an authorisation is not merely a binary permit. It can be structured to contain the risk associated with the permitted transaction. Conditions such as payment through a frozen account, documentation requirements, or reporting at the end of the authorised period transform the derogation from a simple exception into a monitored corridor of lawful activity. Compliance teams therefore need to treat licences as structured operational instruments, not as blanket waivers. The exact terms matter, and breaching those terms can itself amount to a sanctions' violation^{3,4}.

The UK framework is particularly useful in showing how a mature licensing system differentiates between specific and general licences. OFSI's 2026 general guidance states that a general licence, issued by OFSI on behalf of HM Treasury, allows multiple parties to undertake specified activities that would otherwise be prohibited, without the need for a specific licence. It also states that, where a relevant general licence exists, OFSI expects applicants to use it, and that a specific licence will generally not be issued for the same activity unless the applicant can show that the general licence cannot be used or is deficient in some way. At the same time, OFSI notes that it does not accept applications for general licences and that such licences are issued by government under conditions deemed appropriate to support policy priorities, often in response to unforeseen circumstances. This provides a useful contrast to the EU model. The UK system has a more developed general-licence practice, while the EU system, at least in the Russia context, remains anchored in Member-State-specific authorisations and case-by-case derogations. For compliance design, this means that firms must understand not only the substantive sanctions rule but also the legal style of exception-management used by the jurisdiction concerned⁵.

OFSI's guidance also shows how licensing becomes part of the broader compliance burden rather than a substitute for it. The same general guidance states that each general licence will include any requirements for prior notification of use, record-keeping, and reporting, and that it is the responsibility

¹ Ibid.

² Ibid.

³ Ibid.

⁴ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

⁵ Ibid.

of the party using the general licence to ensure that its activities fall within the terms of the licence and that all conditions are met. OFSI further warns that breaching the terms of a general licence is a serious offence, and that parties should not assume a licence will be granted or engage in prohibited activity until they have received an appropriate licence or have been informed that no licence is required. This is a crucial operational principle. A licence is not a device for transferring interpretative risk from the firm to the authority. It is a mechanism that often imposes further compliance obligations on the firm itself. Licensing therefore enlarges the governance task: the institution must track scope, conditions, expiration, amendments, reporting duties, and the exact relationship between the authorised act and the broader sanctions perimeter¹.

Specific licences bring yet another governance challenge because they are often tailored, non-public, and transaction-sensitive. OFSI's 2026 general guidance states that specific licences issued by OFSI are not published, but that licence holders are expected to share them with other parties to the transaction where relevant. It also states that, where applicants are unsure whether a proposed action falls within the licence or whether the licence remains valid, they may seek clarification from OFSI, and that licence applicants are expected to communicate licence issuances, amendments, revocations, or changes to relevant third parties where necessary. This creates a distinctive compliance problem. The operator cannot rely on public market knowledge of the licence. It must govern the licence internally and operationally across all relevant parties. Internal dissemination, version control, and transaction-specific instruction therefore become central. A licence that sits only in the legal department but is not embedded into front-office, operations, finance, or logistics workflows may fail at the point of use. Licensing compliance thus requires controlled internal circulation of authorisation knowledge, not merely possession of the authorisation document².

This is the point at which internal controls become indispensable. The EBA's 2024 guidelines state that the management body in its supervisory function should oversee and monitor the internal controls and governance framework put in place to comply with restrictive measures, while the management body in its management function should approve policies, procedures, and controls proportionate to the institution's exposure and ensure the effective implementation of those processes. The same guidelines require that the human and technical resources allocated to compliance with restrictive measures be appropriate and commensurate with exposure. This is highly relevant to licensing and derogation handling because authorisation is not a standalone legal event. It must be fitted into an internal control framework that determines who can submit applications, who can approve reliance on a licence, who monitors conditions, and who escalates uncertainty. Without internal governance, derogations become ad hoc exceptions scattered through the institution. With internal governance, they become rule-bound operational pathways controlled by identifiable actors and procedures³.

The EBA goes further by requiring a senior staff member in charge of restrictive-measures compliance and by insisting that this person be able to report and have direct access to the management body in both its management and supervisory functions. This is a major governance point for sanctions compliance. It means that responsibility for restrictive-measures handling must be institutionally located at a sufficiently senior level to influence business practice, resource allocation, and escalation decisions. Licensing and derogation questions are often too sensitive to be left to fragmented operational judgement. They may require balancing legal interpretation, business urgency, reputational risk, supervisory expectations, and cross-border coordination. The EBA structure is designed precisely to prevent these issues from being buried within low-level process functions. It gives sanctions compliance a governance anchor. In practical terms, that anchor supports coherent approval matrices, clearer escalation channels, and more reliable interaction with competent authorities⁴.

¹ Ibid.

² Ibid.

³ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁴ Ibid.

Approval matrices are therefore not simply a matter of managerial tidiness. They are essential to lawful derogation management. While the EBA guidelines do not use the exact phrase “approval matrix” as a headline concept, they require clear allocation of roles between the management body, senior staff member, business lines, and internal units, and they require staff dealing with alerts and restrictive-measures compliance to have the relevant authority and expertise. In operational terms, this means firms must decide which matters can be resolved by front-line teams, which require compliance or legal review, which need sign-off by senior management, and which must be referred to a competent authority before any action is taken. The need for such matrices becomes acute where a transaction may fall under a derogation but only on certain conditions, or where a licence exists but its scope is uncertain. Without clearly defined approval levels, organisations either over-escalate and paralyse business, or under-escalate and expose themselves to violations. Good internal control does not eliminate discretion, but it structures where discretion resides and under what evidential standard it may be exercised^{1,2}.

The OFAC framework is particularly useful here because it formalises the governance components of a mature sanctions’ compliance programme as management commitment, risk assessment, internal controls, testing and auditing, and training. Although it is not an EU document, it has analytical value because it captures, in a concise institutional grammar, what is needed to make licensing and derogations usable rather than destabilising. Management commitment ensures that exception-handling does not become an invisible legal backwater. Risk assessment determines where derogation or licensing requests are likely to arise and where internal safeguards should be strongest. Internal controls structure how those requests are documented, escalated, and implemented. Testing and auditing determine whether the control system actually works. Training ensures that staff know how to recognise when an authorisation issue exists and what to do about it. Licensing and derogations therefore sit inside the broader internal-control architecture rather than outside it. They are one of the main areas in which that architecture is stress-tested^{3,4}.

Outsourcing is another area where the interaction between licensing, controls, and auditability becomes very clear. The EBA states that where operational functions relating to compliance with restrictive measures are outsourced, the institution remains accountable for monitoring and overseeing the quality of the service provider. The guidelines also require controls to ensure that the use of outsourced service providers does not expose PSPs and CASPs to the risk of breaches of restrictive measures, and they require those controls to be documented in the outsourcing agreement. This is highly relevant because many institutions outsource parts of sanctions screening, list updates, alert handling, and sometimes document workflows relevant to licensing or authorised transactions. Outsourcing may increase efficiency, but it does not reduce responsibility. Where a licence has transaction-specific conditions, where reporting is required, or where record retention must be precise, outsourced execution can create severe governance failures if oversight is weak. A defensible compliance system must therefore ensure that any third-party provider involved in restrictive-measures operations is subject to clear contractual obligations, monitoring, and periodic assessment of effectiveness⁵.

Training is equally central because licensing and derogation handling cannot be limited to compliance specialists alone. The EBA requires financial institutions to provide regular training to staff so that they remain aware of applicable restrictive measures, the results of the restrictive-measures exposure assessment, and the policies, procedures, and controls used to comply with those measures. It also states that training should be tailored to staff members and their specific roles, and that institutions should document their training plans and be ready to demonstrate to competent authorities that training

¹ Ibid.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

³ Ibid.

⁴ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁵ Ibid.

is adequate and effective. This matters because authorisation issues surface in multiple business locations: onboarding, payments, legal review, trade operations, relationship management, shipping, treasury, and sometimes customer support. If only the formal compliance team understands licensing triggers, firms will miss opportunities to pause or escalate transactions before a breach occurs. Training is therefore part of the audit trail even before an event takes place. It demonstrates that the institution tried to distribute operational literacy across the people most likely to encounter sanctions-sensitive decisions^{1,2}.

This brings the analysis directly to audit trails and record retention. The EBA's payment-focused restrictive-measures guidelines require rules, following the general record-keeping policy of PSPs and CASPs, for documenting any decision taken in respect of alerts. They also require regular review of screening-system performance and document that policies and procedures should allow case-by-case determinations where they are duly justified and documented. These requirements are not cosmetic. They create the documentary infrastructure through which institutions can explain why a possible match was dismissed, why a transaction was suspended, why a particular authorisation pathway was relied upon, or why a payment was released under specified conditions. In the sanctions field, an undocumented judgement is often little better than no judgement at all. Auditability requires not only retention of the final decision, but retention of the evidential path that led to it. This is why record discipline is so closely tied to defensibility. When challenged by regulators, counterparties, or courts, firms need more than a conclusion. They need a traceable rationale³.

UK practice makes the reporting and record-retention dimension particularly concrete. OFSI's general guidance states that reporting obligations apply to relevant firms that know or reasonably suspect that a person is designated or that a prohibition has been breached, and it specifies that Russia-specific reporting requirements introduced in December 2023 require relevant firms to submit an initial report and then, by no later than 30 November in each calendar year, a report on the nature and amount or quantity of funds or economic resources held as of 30 September. The annual frozen asset review guidance similarly states that persons holding or controlling funds or economic resources belonging to a designated person must complete and submit the reporting form to OFSI for the reporting exercise. These arrangements are operationally important because they turn record-keeping into a recurring compliance duty, not merely a passive archival practice. Firms must be able to identify frozen assets, quantify them, distinguish changes over time, and report them in an organised way. Audit trails in sanctions compliance thus support not only retrospective enforcement but continuing supervisory visibility over the frozen-asset stock^{4,5}.

The same UK guidance also shows that sanctions reporting is not exhausted by general suspicious-activity reporting. OFSI states that reporting obligations to OFSI are additional to other reporting duties, including those to regulators or SARs submitted under the Proceeds of Crime Act 2002. This is significant for internal control design because it means that audit trails must be able to support sanctions-specific reporting pathways as distinct from broader AML/CFT processes. Institutions need to know not only that something suspicious occurred, but what sanctions-relevant facts triggered the obligation, what was reported to OFSI, on what date, under which regime, and whether follow-up reporting or annual review was subsequently required. A weakly integrated case-management system can easily cause reporting fragmentation or omission here. For a sanctions programme to be defensible, it must therefore align its documentation architecture with its reporting architecture⁶.

¹ Ibid.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

³ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁴ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

⁵ HM Treasury, Office of Financial Sanctions Implementation. (2025). *Annual frozen asset review: guidance and reporting form*.

⁶ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

Licensing-specific record discipline is equally important. OFSI's licensing guidance states that each general licence may include requirements for prior notification, record-keeping, and reporting, and that prior notification does not constitute any verification by OFSI that the licence is being used correctly. It also states that if a specific licence has been issued, parties should not assume OFSI agrees with their interpretation of it until clarification is obtained where necessary. These points are crucial because they show that the existence of a licence does not eliminate interpretative risk. Instead, it relocates that risk into the institution's ability to show that it acted within the terms of the licence. This is one reason why specific licences must often be shared with other parties to the transaction and why amendments, revocations, and changes must be communicated to relevant third parties. A valid licence with poor internal dissemination is operationally unstable. A valid licence with strong internal documentation and communication becomes a controlled exception^{1,2}.

The OFSI supplementary licensing guidance adds another useful governance insight by explicitly covering licensing principles and delegation frameworks. Even without turning to the underlying sub-documents, the page itself makes clear that licensing is treated as a structured area of administrative practice, not merely as an ad hoc discretion exercised in opaque fashion. That matters because a predictable licensing environment supports better compliance behaviour. Firms are more likely to seek authorisation rather than make their aggressive legal assumptions if they understand the principles under which licensing decisions are made, the kinds of delegation that exist internally at OFSI, and the standards of "reasonableness" that may govern permissible payments or expenses. The broader analytical point is that licensing clarity reduces incentives for self-help interpretation. It encourages institutions to route difficult cases into formal channels rather than solving them privately through either over-blocking or under-compliance. In this sense, licensing guidance is part of the control environment on both sides of the public-private interface^{3,4}.

From the EU perspective, one of the most important discipline-enhancing principles is that authorisation handling must not undermine the restrictive logic of the sanctions' regime. The Council Best Practices state that competent authorities should consider safeguards to prevent released funds or economic resources from being used for purposes incompatible with the derogation and that direct bank transfers are generally preferable to cash. The Commission's FAQ similarly explains that bundled authorisations may be coupled with reporting obligations at the end of the specified period to ensure that the authorisation was used according to the stated conditions. These instruments reveal a common governance logic. Authorisations are not meant to create unmonitored zones of permissibility. They are meant to enable specific lawful acts within a monitored and conditioned framework. Internal controls on the firm side must therefore mirror this logic by treating post-authorisation monitoring as part of compliance, not as a completed matter once approval has been obtained. Audit trails continue after the licence is granted^{5,6}.

Another reason why auditability matters is enforcement. OFSI's 2026 monetary-penalties guidance states that it sets out the circumstances in which OFSI may consider it appropriate to impose a monetary penalty and how the relevant powers will be used. That means that institutions operating in sanctions-sensitive sectors must assume that, where a suspected breach occurs, the adequacy of internal controls, records, reporting, and decision-making processes may itself become relevant to enforcement assessment. OFAC's framework is even more explicit on this logic, since its core architecture links management commitment, internal controls, testing and auditing, and training to mitigation and enforcement outcomes. In both systems, governance quality affects not only the likelihood of breach

¹ Ibid.

² Office of Financial Sanctions Implementation. (2024, updated February 2, 2026). *Financial sanctions licensing: supplementary guidance*.

³ Office of Financial Sanctions Implementation. (2024, updated February 2, 2026). *Financial sanctions licensing: supplementary guidance*.

⁴ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance*.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁶ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

but the way apparent breaches are judged. This is an important compliance insight. Internal controls and audit trails are not only preventive. They are also part of the institution's defensive architecture when regulators later ask what happened and why^{1,2}.

The same applies to group structures and cross-border organisations. The EBA requires parent undertakings to ensure that subsidiaries perform restrictive-measures exposure assessments in a co-ordinated way based on a common methodology, while also emphasising that ultimate responsibility for compliance lies with each entity in the group. This has direct implications for licensing and derogation handling. A group may wish to take a consistent approach across jurisdictions, but authorisations are often granted nationally and may not automatically extend to affiliates in other Member States or other legal persons within the group. Internal controls must therefore balance group coherence with entity-level legal specificity. Audit trails must show not only that the group had a common policy, but also that the relevant local entity acted on the basis of the permissions actually available to it. In sanctions governance, group-level consistency is valuable, but it cannot substitute for entity-level legality^{3,4}.

At a broader strategic level, this entire instrument cluster should be understood as the defensibility layer of sanctions compliance. Screening and due diligence may identify risk, but licensing, derogations, internal controls, and audit trails determine whether the organisation can act on that risk in a way that remains lawful, proportionate, reviewable, and sustainable over time. A sanctions regime without these instruments is likely to become either brittle or arbitrary. It becomes brittle when staff are afraid to move in any ambiguous case because there is no clear authorisation or escalation route. It becomes arbitrary when exceptions are handled informally, records are weak, and oversight is inconsistent. The EU and partner guidance examined here both move in the opposite direction. They build controlled pathways for lawful exceptions, assign responsibility inside institutions, require documentation and reporting, and link governance quality to both implementation and enforcement outcomes. That is why this layer should be treated as a core compliance instrument in its right, not as mere administrative overhead^{5,6,7,8}.

Table 7.2.4-1. Governance Instruments for Licensing, Derogations, Internal Controls, and Auditability

Instrument	Core Governance Question	Main Operational Content	Principal Compliance Value
Derogation and authorisation procedures	Can otherwise restricted activity proceed lawfully?	Case-by-case assessment, supporting documents, time-limited permissions, conditions and safeguards	Keeps sanctions targeted while preserving lawful narrow exceptions
Bundled or structured authorisations	Can repeated similar activity be managed without collapsing into general exemption?	Time-bound permissions for similar services to the same counterparty, often coupled with reporting obligations	Improves administrative usability without abandoning control
Conditions attached to permissions	Under what safeguards may the authorised act occur?	Frozen-account routing, no-cash assumptions, documentary conditions, post-use reporting	Reduces risk that permitted activity is repurposed for circumvention

¹ HM Treasury, Office of Financial Sanctions Implementation. (2026, February 9). *Financial sanctions enforcement and monetary penalties guidance*.

² U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

³ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁴ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁵ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁶ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁷ Office of Financial Sanctions Implementation. (2024, updated February 2, 2026). *Financial sanctions licensing: supplementary guidance*.

⁸ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments*.

Instrument	Core Governance Question	Main Operational Content	Principal Compliance Value
Internal governance and approval structures	Who is responsible for restrictive-measures decisions inside the institution?	Management-body oversight, senior staff responsibility, escalation channels, role allocation	Prevents ad hoc exception handling and strengthens accountability
Licensing controls in firms	How does the institution ensure reliance on licences stays within scope?	Licence validation, internal dissemination, amendment tracking, expiry monitoring, third-party communication	Converts permissions into operationally controlled conduct
Record-keeping and audit trails	Can the institution explain what decision was taken, why, and on what basis?	Documentation of alerts, approvals, derogation use, reporting, frozen-asset records, training records	Enables supervisory review, enforcement defence, and internal consistency
Training and review	Do staff know when to escalate and how to apply authorised pathways?	Role-specific training, documented training plans, periodic effectiveness review	Keeps licensing and derogation handling usable across business functions
Outsourcing controls	Does third-party support weaken sanctions governance?	Oversight of outsourced functions, contractual controls, effectiveness monitoring	Preserves accountability where operational tasks are externalised

Authorship: prepared by the author on the basis of official EU institutional materials and U.S. official documents

Sources:

- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*
- Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures.*
- European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures.*
- HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance.*
- HM Treasury, Office of Financial Sanctions Implementation. (2025). *Annual frozen asset review: guidance and reporting form.*
- Office of Financial Sanctions Implementation. (2024, updated February 2, 2026). *Financial sanctions licensing: supplementary guidance.*
- HM Treasury, Office of Financial Sanctions Implementation. (2026, February 9). *Financial sanctions enforcement and monetary penalties guidance.*
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments.*

The main conclusion is therefore clear. Licensing, derogations, internal controls, and audit trails are the instruments through which sanctions compliance remains legally usable and institutionally defensible in situations where pure prohibition is either too blunt or insufficiently administrable. They enable lawful exceptions without converting those exceptions into ungoverned openings. They allocate responsibility within firms and between firms and authorities. They structure escalation, condition authorised conduct, and preserve a documentary record capable of supporting review, reporting, and enforcement. In the Russia sanctions context, where the regime is cumulative, operationally dense, and often dependent on careful management of humanitarian, financial, and service-related exceptions, this layer is especially important. A sanctions architecture that identifies risk but cannot process permissions, justify decisions, or preserve records will not remain stable over time. A sanctions architecture that can

do all of those things stands a much better chance of remaining both effective and legally credible through 2026–2030^{1,2,3,4}.

7.3. Circumvention Risks and Enforcement Challenges

7.3.1. Typologies of Circumvention: Intermediaries, Re-Routing, and Proxy Structures

Circumvention typologies are not marginal anomalies at the edge of the sanctions’ regime. They are the adaptive techniques through which targeted actors seek to restore access to goods, services, finance, logistics, and commercial relationships after direct channels have been restricted. For sanctions analysis, this means that effectiveness cannot be assessed only by reference to the formal scope of prohibitions. It must also be assessed against the repertoire of evasive practices that emerges in response to those prohibitions. The European Commission’s 2023 due-diligence guidance was issued precisely because operators needed a structured way to identify circumvention risks in their transactions and business relationships. The G7’s 2024 updated industry guidance makes the same basic point by treating evasion indicators and typologies as central to compliance rather than as auxiliary intelligence material. FATF’s 2025 report broadens the lens still further by arguing that illicit actors are using increasingly sophisticated schemes to evade sanctions and exploit jurisdictional differences, weak transparency regimes, and new technologies. These materials converge on one operational conclusion. Circumvention is now systemic enough that compliance and enforcement must be typology-based, not only rule-based. In the Russia context, that means focusing on the network forms through which restricted access is reconstituted after direct bilateral channels have narrowed^{5,6,7}.

The first broad typological shift is from direct prohibited dealing to indirect, distributed, and commercially layered engagement. The Commission’s 2023 guidance explicitly identifies indirect transactions using intermediaries and shell companies that make no or little economic sense as a red flag requiring deeper screening. The same document also highlights new transactions involving companies in countries known as circumvention hubs, transit through those hubs, and complex corporate or trust structures whose complexity is not justified by the customer’s business profile. FATF’s 2025 report captures this more generally by listing “enlisting intermediaries to evade sanctions” as a core typology category and by placing front and shell companies, transit through third countries, and bank accounts and financing within that same typological cluster. This is analytically important because it shows that circumvention is often less about a single disguised shipment than about the reassembly of a restricted transaction across multiple nodes. Each node looks less suspicious in isolation than the original direct Russia-linked transaction would have looked. The compliance burden therefore shifts from identifying single obvious breaches to reconstructing the network logic of a transaction that has

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it.*

² European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures.*

³ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *UK financial sanctions general guidance.*

⁴ U.S. Department of the Treasury, Office of Foreign Assets Control. (2019, May 2). *A Framework for OFAC Compliance Commitments.*

⁵ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*

⁶ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*

⁷ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*

been deliberately fragmented. Circumvention typologies are, in that sense, typologies of disaggregation^{1,2}.

Third-country intermediaries are central to this disaggregation model. The Commission's 2023 guidance asks operators to examine the country of transit and destination, whether it neighbours Russia or Belarus, whether it has easy transport access to them, and whether it is otherwise known to re-export goods to those jurisdictions. It also states that operators should pay particular attention to exports to countries that do not apply restrictions equivalent to those of the EU. The UK's 2025 guidance for businesses on countering Russian sanctions evasion, updated on 12 March 2026, shows that this logic has only intensified over time: the update specifically revised the list of higher-risk goods and third-country exporters. OFSI's 2025 financial-services threat assessment adds a parallel financial dimension, stating that over 25 per cent of suspected breach reports received from UK financial-services firms had made reference to intermediary jurisdictions and that Russian designated persons have traditionally structured ownership and control of assets through favoured intermediary jurisdictions. These materials point to a common pattern. Intermediary jurisdictions function as substitution spaces where the sanctioned nexus is diluted, relabelled, or delayed rather than openly removed. They are not automatically proof of wrongdoing, but they have become one of the most persistent organisational environments for sanctions evasion in the Russia case^{3,4,5}.

The significance of intermediary jurisdictions lies not merely in geography but in function. OFSI's threat assessment explains that some intermediary jurisdictions offer greater secrecy through their legal and financial systems, but that jurisdictions lacking strong secrecy features may still be attractive because of the services and products they offer or their links to major markets. The same assessment identifies patterns such as ownership or transfers of assets, networks used to process the funds of sanctioned individuals, non-resident banking, enabler activity, offshore account payments, the use of complex trust or offshore company structures, and the setting up of new companies that appear to be copies of companies closed elsewhere. This is a valuable analytical clarification. Circumvention does not always seek the most clandestine jurisdiction in absolute terms. It often seeks the jurisdiction that best combines legal permissibility, market access, operational familiarity, and sufficient opacity. That makes intermediary jurisdictions functionally heterogeneous but structurally similar. Their role is to host, disguise, or reroute parts of the transaction chain until the original Russia-linked nexus becomes less visible or more deniable. In compliance terms, the jurisdiction becomes a risk signal because of the role it plays in the structure, not simply because of its name on a map⁶.

Shell companies, front companies, and shelf entities are a second major typological family. FATF's 2025 report identifies the use of front and shell companies as a core sub-topic under sanctions-evasion typologies and notes that such entities may either conduct no genuine activity or engage in legitimate-appearing transactions in order to access financial systems, facilitate payments, and conclude contracts. The Commission's 2023 guidance provides a more compliance-oriented expression of the same risk by identifying business partners sharing addresses with multiple different companies as likely shelf-company indicators and by warning against complex corporate or trust structures involving offshore companies where the complexity is not justified by the customer's profile. The G7's 2024 guidance likewise identifies shell companies, front companies, intermediaries, brokers, and layered letters of credit as common elements in shipments circumvented through one or more third countries. The typological logic here is straightforward. Shells and fronts create a legal person that can appear

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

³ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁴ Department for Business and Trade & Office of Trade Sanctions Implementation. (2025, January 7; updated March 12, 2026). *Countering Russian sanctions evasion and circumvention*.

⁵ Office of Financial Sanctions Implementation. (2025, February). *Sanctions compliance in the financial services sector: threat assessment*.

⁶ Ibid.

commercially independent while carrying little or no independent economic rationale. The company becomes a masking layer between the sanctioned objective and the visible transaction. Once that masking layer is normalised, further acts such as contracting, invoicing, financing, and shipping can be made to appear routine^{1,2,3}.

This shell-and-front logic is closely connected to beneficial-ownership manipulation. The Commission's 2023 guidance identifies changes of ownership designed to reduce stakes below the 50 per cent threshold, changes in ultimate beneficial owner shortly before or after sanctions were imposed, movements of assets associated with a sanctioned person by family members or others acting on their behalf, and numerous transfers of shares from sanctioned to non-sanctioned entities incorporated by the same individuals or sharing the same physical address. These are not separate red flags. They are components of a coherent evasive technique: restructuring the visible ownership chain so that the entity no longer looks sanctionable while the substantive control relationship persists. FATF's 2025 report supports the same logic more generally by flagging corporate vehicles, opaque ownership structures, shell companies, and one-day firms as indicators of sanctions-evasion-related activity. The typology therefore depends on the gap between formal control and practical control. Where enforcement relies too heavily on the visible ownership snapshot, rapid ownership engineering can create the appearance of compliance while leaving the underlying influence structure intact. Beneficial-ownership verification is thus central precisely because circumvention often aims to weaponise formal corporate separateness against sanctions enforcement^{4,5}.

Proxy structures and enabler networks are a third major typological cluster. OFSI's 2025 financial-services threat assessment states that it is almost certain that Russian designated persons have turned to new professional and non-professional enablers in attempts to breach UK financial sanctions and that OFSI has observed significantly increased enabler activity since 2023. It defines non-professional enablers as individuals with close personal ties to designated persons, including family members, ex-spouses, associates, and other proxies, and it explains that such actors may make payments to maintain designated persons' lifestyles and assets, including superyachts, school fees, security services, property management, and high-value goods. This is typologically important because it shows that circumvention does not always require sophisticated international trade structures. Sometimes it relies on social proximity and delegated appearance. The sanctioned person becomes harder to detect because the visible actor is not a front company but a relative, associate, or apparently independent service provider. Such structures can be especially difficult to detect because they often mimic normal personal or professional support relationships rather than unusual corporate behaviour⁶.

The proxy typology becomes even more acute where enablers actively front for designated persons. OFSI's threat assessment states that it is likely a small number of enablers have attempted to front for Russian designated persons and claim ownership of frozen assets. It explains that such fronting may be observed especially where ownership or control is unclear because of insolvency, complex corporate structures, or significant liquidity, and that a person presenting as an apparently legitimate businessperson may come forward to claim to be the owner of frozen assets while in reality acting for the designated person. OFSI then identifies red flags such as limited public profiles, little relevant professional experience, inconsistencies in name spellings or transliterations, recently acquired non-Russian citizenships, and frequent or unexplained changes in name or declared location. This is a particularly revealing typology because it shows how circumvention can target the enforcement

¹ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

² European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

³ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

⁴ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁶ Office of Financial Sanctions Implementation. (2025, February). *Sanctions compliance in the financial services sector: threat assessment*.

perimeter itself. Instead of only moving assets around, the enabler tries to redefine who the asset legally belongs to in the eyes of the institution or authority. Proxy ownership claims therefore operate as an attack on attribution, not only on detection¹.

Another important circumvention family concerns substitution and party-switching within the transaction chain. The G7's 2024 guidance identifies last-minute changes to the parties involved in a transaction from an entity in Russia or Belarus to an entity in another country, payments from entities in third countries not otherwise involved in the transaction, and the listing of a freight forwarder or charter-aircraft operator as the end user. The Commission's 2023 guidance similarly asks operators whether all direct and indirect stakeholders are known, whether the end user can be identified, and whether intermediaries, banks, and end users may themselves be targeted by sanctions or affected by them through ownership or control. This typology works by altering the visible formal party to the transaction while preserving the economic logic of the original prohibited deal. A freight forwarder appears as end user, a third-country payment agent appears as payer, or a newly introduced intermediary appears as consignee. The transaction remains functionally directed toward the same ultimate objective, but its visible party structure has been rearranged to frustrate straightforward sanctions screening. Circumvention in this form relies on the assumption that institutions will privilege declared roles over plausible operational roles. That is precisely why stakeholder mapping has become so important in trade and financial compliance^{2,3}.

Re-routing and transshipment through third countries constitute a further typology that is both geographically and operationally layered. The Commission's 2023 guidance asks whether the country of transit or destination neighbours Russia or Belarus, whether it has easy transport access, whether it is known to re-export goods there, and whether complex or unusual transportation routes are being used. It also lists transit through countries or territories known as circumvention hubs as a specific indicator warranting deeper screening. The G7's 2024 guidance is even more explicit, identifying circumventing shipments through one or multiple third countries, multiple third-country freight forwarders or shippers, and unclear transportation routes as concrete indicators of evasion risk. FATF's 2025 report likewise lists freight-forwarding firms operating in high-risk transshipment areas, routing purchases through transshipment points commonly used to redirect restricted items to embargoed destinations, and atypical shipping routes for the product and destination as risk indicators. This convergence across sources is important. It shows that re-routing is not a peripheral logistical problem. It is one of the central organisational forms through which sanctions pressure is diluted and reassembled^{4,5,6}.

Within this routing typology, logistics layering is especially significant. The G7 guidance refers not only to third-country routing in the abstract, but specifically to shell companies, front companies, intermediaries, brokers, layered letters of credit, and multiple third-country freight forwarders and shippers used in connection with such shipments. The Commission's 2023 guidance complements this by recommending checks on the type of means of transport used, routings, and the use of subcontractors where transit through circumvention hubs is involved. The UK's 2025 freight-and-shipping guidance, aimed specifically at freight forwarders, carriers, customs intermediaries, and postal and express operators, begins from the same premise: freight actors may be the first to detect circumvention when transporting or facilitating the transport of goods. The value of logistics layering for evasive actors is obvious. Each additional operator narrows the informational field visible to the others and makes it harder for any single firm to reconstruct the whole transaction. Layering therefore serves

¹ Ibid.

² Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

³ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁴ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

⁶ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

both concealment and plausible deniability. It is a typology of operational fragmentation designed to exploit the partial vision of each service provider in the chain^{1,2,3}.

Blind shipments and switch bills are a particularly concrete sub-type of this logistics-layering pattern. The UK's 2025 freight-and-shipping guidance advises operators to treat enquiries from third-party intermediaries arranging a transaction in which the identity of the consignee is hidden from the original supplier or exporter as potentially suspicious and to verify that the use of blind-shipping procedures is legitimate rather than designed to facilitate diversion to a sanctioned country, person, entity, or shell company. It also warns operators to examine requests to produce altered copies of the bill of lading, known as switch bills, and to watch for requests to change paperwork or labels during transit that were not part of the original arrangements. This is an operationally valuable typology because it reveals how evasion can occur not through a hidden item or hidden payer, but through hidden consignee identity and post-dispatch documentary alteration. The shipment moves physically in one chain while its legal-documentary presentation mutates in another. That split between physical movement and documentary identity is precisely what makes the technique dangerous for sanctions enforcement⁴.

Postal and express channels can also be exploited as a circumvention sub-typology, especially for smaller high-value components. The UK freight-and-shipping guidance states that postal and express operators should be especially mindful of falsely declared contents because many sanctioned components sought by Russia can be packaged in smaller consignments and declared below customs thresholds. It further warns that those seeking to evade sanctions may take advantage of simplified customs processes, including bulk declarations, and recommends closer checking of shipments containing electronics, drones and drone parts, power tools, mechanical components, vague descriptions such as "spare parts" or "samples", apparent gifts that look commercial, or other signs that the nature or value of the goods may have been falsely declared. This is a useful reminder that circumvention is not always organised through large consignments or complex maritime flows. It can also proceed through repeated small shipments designed to stay below documentary, customs, or screening thresholds. In typological terms, this is fragmentation by quantity rather than by corporate layering⁵.

Documentation manipulation is another recurring family of typologies because it allows the transaction to retain formal completeness while distorting the underlying risk picture. The G7's 2024 guidance identifies false, inaccurate, or missing documentation, including names, companies, addresses, final destination, and information in trade documents and financial flows that do not cohere. It also refers to customers unwilling to provide certification that items will not be sold to Russia or sanctioned parties in third countries, vague or incomplete information, and websites or corporate identities that appear thin or recently altered to remove links to Russia. The UK freight-and-shipping guidance likewise highlights vague or dubious descriptions of goods, unusual requests regarding packaging or labels, misclassification of higher-risk goods under adjacent HS codes, and suspected fraudulent documentation as sector-specific red flags. Documentation in these typologies is not merely incomplete. It is actively curated to create an administratively manageable fiction. Circumvention relies on the fact that much trade and finance is processed through documentary trust. Once that trust is strategically exploited, the document layer becomes one of the first places where enforcement must reinsert scepticism^{6,7}.

¹ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

² European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

³ Department for Business and Trade & Office of Trade Sanctions Implementation. (2025, November 3). *Countering Russian sanctions evasion: guidance for the freight and shipping sector*.

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

⁷ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

Financial re-routing is the parallel typology on the payments side. The G7's 2024 guidance identifies payments from entities located in third countries that are not otherwise involved in the transaction, particularly where the payment runs through a sanctioned country or otherwise breaks with the apparent commercial logic of the deal. The Commission's 2023 guidance likewise treats banks among the indirect stakeholders that must be known and screened, and FATF's 2025 report includes bank accounts and financing within the typology of using intermediaries to evade sanctions. The operational rationale of this technique is clear. Once the original buyer, shipper, or consignee becomes too visible, payment responsibility is displaced onto another company, another account, or another jurisdiction that appears commercially ancillary or neutral. The payment path is then used to absorb or redirect sanctions risk away from the visible trade chain. This means that financial compliance and trade compliance cannot be treated as separate investigative universes. Circumvention often works by breaking that separation and moving the hidden nexus into the payment architecture^{1,2,3}.

More specifically, OFSI's 2025 financial-services threat assessment shows that intermediary-jurisdiction typologies often involve non-resident banking, offshore account payments, and networks used to process the funds of sanctioned individuals. The same assessment also states that enablers have almost certainly used alternative payment methods, in particular cryptoassets, to breach UK financial sanctions prohibitions on Russia. This is an important extension of the typology map. Circumvention is not only about goods moving through third countries; it is also about value moving through alternative or more weakly monitored channels. Non-resident banking can loosen the connection between the customer and the jurisdiction of account provision. Offshore account payments can complicate attribution and beneficial-owner tracing. Cryptoassets can be used to move value outside traditional payment-system friction, especially where enablers or non-bank payment providers are involved. These methods differ technically, but typologically they perform the same function: they create parallel rails for funds once the primary rails become constrained⁴.

Fragmented service provision is another highly consequential but sometimes underappreciated typology. The G7's 2024 guidance indicates that shipments may involve shell companies, intermediaries, brokers, layered letters of credit, multiple freight forwarders, and unexplained third-country payers. The UK freight guidance is specifically addressed not only to exporters, but to freight forwarders, carriers, hauliers, customs intermediaries, postal and express operators, and others facilitating movement of goods. These official materials imply a broader point: evasive networks increasingly distribute functions across specialised actors so that no one actor appears to control the whole transaction. One entity manages the customer relationship, another arranges freight, another provides customs clearance, another pays, another appears as consignee, another insures the cargo, and another receives the goods. This fragmented-service model creates compliance blind spots because each actor may see only a plausible partial narrative. Circumvention then exploits the seams between service providers rather than relying on one large hidden lie. The typology is therefore organisationally sophisticated but conceptually simple: break the prohibited transaction into compliant-looking pieces and rely on the fragmentation of market attention^{5,6}.

Maritime circumvention patterns are among the most visible and operationally developed forms of this fragmentation logic. The Price Cap Coalition's updated October 2024 advisory states that actors involved in the shadow trade often conceal ownership structures and the origin of cargo, that ownership

¹ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

² Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

³ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁴ Office of Financial Sanctions Implementation. (2025, February). *Sanctions compliance in the financial services sector: threat assessment*.

⁵ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

⁶ Department for Business and Trade & Office of Trade Sanctions Implementation. (2025, November 3). *Countering Russian sanctions evasion: guidance for the freight and shipping sector*.

of shadow-fleet tankers may be concealed through complex corporate arrangements with increasing use of single-vessel fleets, and that such tankers have been observed disabling or manipulating Automatic Identification Systems to conceal illicit activity or voyage information. OFAC's October 2024 maritime-shipping guidance adds that sanctions evaders are increasingly using vessel location manipulation, including AIS spoofing to show a vessel in a different location and thereby obscure the origin of certain oil cargoes. These sources show that maritime circumvention is not reducible to ship movement alone. It combines vessel identity management, ownership opacity, cargo-origin concealment, and data manipulation. The ship becomes both transport asset and evasive platform. For sanctions analysis, this matters because the maritime typology compresses many other typologies into one sector: shell ownership, proxy service providers, route manipulation, documentation issues, and fragmented risk transfer all converge on the same voyage^{1,2}.

The maritime typology also includes substandard or opaque insurance and service ecosystems. The Price Cap Coalition advisory warns that shadow-fleet vessels may rely on unproven P&I insurers operating in opaque jurisdictions, without the capital, regulatory oversight, or technical expertise expected in the legitimate maritime-insurance market. It also notes that such vessels may be older, poorly maintained, or associated with weaker safety and certification practices, making marine-casualty accountability more difficult. This is not only a safety issue. It is a circumvention issue because the move into opaque insurance and service chains helps sanctioned or price-cap-evading trade detach itself from the compliance expectations of reputable maritime providers. Once legitimate insurers, financiers, and service providers withdraw, an alternative ecosystem emerges in which the absence of transparency is part of the commercial model. Circumvention here works by reconstructing the service architecture around lower-scrutiny or lower-capability providers. The consequence is that enforcement cannot focus only on cargo ownership or voyage routing. It must also examine who is insuring, certifying, financing, and servicing the vessel^{3,4}.

These typologies also reveal why public authorities increasingly communicate risk outside formal sanctions lists. BIS's July 2024 guidance on parties presenting diversion risk explains that BIS uses supplier-list letters, Project Guardian requests, red-flag letters, and "is informed" letters to alert companies and universities about parties beyond those identified on screening lists that present diversion concerns in relation to Russia-related end uses or end users. The document also explains that, where a company receives a red-flag letter, it must conduct additional due diligence to resolve the red flag before proceeding and that unresolved red flags should lead the company either to refrain from the transaction or seek a licence. This is an important enforcement-development point. Circumvention increasingly relies on actors who are not yet formally listed but are nonetheless known to present diversion risk. Authorities therefore supplement static list-based enforcement with a more dynamic warning architecture. Typologies matter precisely because not all relevant actors will already sit inside the formal designation perimeter. A sanctions regime facing adaptive circumvention must therefore operate partly through risk-notification and behavioural expectation, not only through list publication⁵.

This, in turn, helps explain why no single circumvention sign is usually decisive. The G7's 2024 guidance states explicitly that no single red flag is necessarily indicative of illicit conduct and that transactions should be assessed holistically, while the UK freight guidance makes the same point for logistics actors. Typologies should therefore be understood as composite patterns rather than as isolated facts. A shell company with no web presence may still be innocent in isolation. A route through a third country may still be legitimate in isolation. A third-country payer may sometimes be commercially justified in

¹ U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 31). *Sanctions Guidance for the Maritime Shipping Industry*.

² Price Cap Coalition. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

³ Ibid.

⁴ HM Treasury, Office of Financial Sanctions Implementation. (2026, January 28). *Financial sanctions guidance for maritime shipping*.

⁵ Bureau of Industry and Security. (2024, July 10). *Guidance to Industry on BIS Actions Identifying Transaction Parties of Diversion Risk*.

isolation. But when a recently created company with residential address orders high-priority goods inconsistent with its business profile, routes them through a known transshipment hub, uses a third-country payer with no clear role, and resists providing end-use assurances, the pattern becomes typologically legible as circumvention risk. Enforcement and compliance increasingly depend on this pattern-reading capacity. The operative unit is not the single anomaly but the structured cluster of anomalies that make little economic sense except as evasion^{1,2}.

Table 7.3.1-1. Principal Circumvention Typologies in the Russia-Related Sanctions Environment

Typology	Core Mechanism	Typical Operational Indicators	Main Compliance Implication
Third-country intermediary routing	Reconstructing restricted transactions through non-Russian jurisdictions	Transit through circumvention hubs, unusual destinations, new third-country exporters, non-resident banking links	Requires route, jurisdiction, and stakeholder-based due diligence
Shell / front / shelf companies	Using low-substance legal entities to mask sanctioned nexus	Shared addresses, thin web presence, recent incorporation, little commercial history, opaque ownership	Requires enhanced counterparty and beneficial-ownership verification
Proxy and enabler structures	Using relatives, associates, or service providers to act for designated persons	New payers replacing DPs, family links, lifestyle-maintenance payments, claims over frozen assets	Requires scrutiny of personal/professional connections and source-of-funds logic
Ownership restructuring	Altering legal form while preserving control or benefit	Stakes moved below thresholds, rapid UBO changes, same controllers behind new entities	Requires dynamic ownership/control analysis, not static snapshots
Party substitution	Swapping visible transaction parties while keeping the same end objective	Last-minute changes of consignee, freight forwarder listed as end user, unrelated third-country payer	Requires full stakeholder mapping and explanation of each party's role
Re-routing and logistics layering	Fragmenting transport chains across multiple actors and jurisdictions	Multiple freight forwarders, atypical routes, subcontractors, transshipment points	Requires route coherence checks and chain-of-custody scrutiny
Documentary manipulation	Rewriting the paper trail to mask the real transaction	Misclassification, vague descriptions, false destination/end-use data, switch bills, altered labels	Requires cross-document consistency checks and heightened scepticism
Fragmented service provision	Distributing functions across separate service actors to dilute visibility	Separate parties for payment, freight, customs, insurance, and consignment identity	Requires cross-functional information sharing and holistic transaction review
Shadow-fleet / maritime evasion	Using opaque vessel ownership and service ecosystems to preserve Russian-linked trade	AIS spoofing, single-vessel fleets, opaque P&I, concealed cargo origin, STS-related anomalies	Requires maritime due diligence extending beyond vessel name alone

Authorship: prepared by the author on the basis of official EU institutional materials and U.S. official documents

Sources:

- European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention.*
- Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry.*
- Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes.*

¹ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry.*

² Department for Business and Trade & Office of Trade Sanctions Implementation. (2025, November 3). *Countering Russian sanctions evasion: guidance for the freight and shipping sector.*

- Bureau of Industry and Security. (2024, July 10). *Guidance to Industry on BIS Actions Identifying Transaction Parties of Diversion Risk*.
- Office of Financial Sanctions Implementation. (2025, February). *Sanctions compliance in the financial services sector: threat assessment*.
- Department for Business and Trade & Office of Trade Sanctions Implementation. (2025, November 3). *Countering Russian sanctions evasion: guidance for the freight and shipping sector*.
- Price Cap Coalition. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.
- U.S. Department of the Treasury, Office of Foreign Assets Control. (2024, October 31). *Sanctions Guidance for the Maritime Shipping Industry*.

The enforcement challenge created by these typologies is that each one is designed to convert a direct sanctions problem into a disputed factual problem. Instead of an obvious Russian counterparty, there is a third-country company. Instead of a listed owner, there is a recently changed UBO. Instead of a sanctioned payer, there is a non-resident bank account or an apparently unrelated intermediary. Instead of a direct voyage, there is a layered maritime route with manipulated location data and opaque insurance. This is why modern sanctions enforcement increasingly depends on reconstruction rather than mere detection. Authorities and firms must piece together party roles, ownership, routes, payment flows, and documentary inconsistencies across fragmented datasets. Typologies matter because they anticipate where this reconstruction burden will arise. They show that circumvention is not random. It follows recurrent organisational strategies that compliance systems can be designed to recognise. The better the typology map, the more quickly institutions can detect when a transaction is trying to look ordinary by being structurally unusual^{1,2,3}.

The main conclusion is therefore straightforward. The dominant circumvention typologies in the Russia-related sanctions environment are not isolated technical tricks but recurring organisational forms: third-country intermediation, shell and front companies, ownership restructuring, proxy and enabler activity, re-routing, logistics layering, documentary manipulation, fragmented service provision, and shadow-fleet service ecosystems. Each typology attempts to break the visible link between the prohibited objective and the visible transaction. Each also exploits a different weakness in the compliance chain, whether ownership opacity, route complexity, documentary trust, or fragmented service provision. Effective sanctions implementation therefore requires typology-based vigilance across sectors rather than narrow legal literalism. For Part Seven, the core point is that circumvention is now best understood as a network phenomenon. Enforcement challenges arise not only because actors hide, but because they hide through reproducible structures that reappear across trade, finance, logistics, and maritime services. That is why sanctions compliance and enforcement must increasingly be organised around pattern recognition, not merely static prohibition lists^{4,5,6,7}.

¹ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

² Bureau of Industry and Security. (2024, July 10). *Guidance to Industry on BIS Actions Identifying Transaction Parties of Diversion Risk*.

³ Office of Financial Sanctions Implementation. (2025, February). *Sanctions compliance in the financial services sector: threat assessment*.

⁴ European Commission. (2023, September 7). *Guidance for EU operators: Implementing enhanced due diligence to shield against Russia sanctions circumvention*.

⁵ Group of Seven Sub-Working Group on Export Control Enforcement. (2024, September 24). *Preventing Russian Export Control and Sanctions Evasion: Updated Guidance for Industry*.

⁶ Price Cap Coalition. (2024, October 21). *Updated Price Cap Coalition Advisory for the Maritime Oil Industry and Related Sectors*.

⁷ Office of Financial Sanctions Implementation. (2025, February). *Sanctions compliance in the financial services sector: threat assessment*.

7.3.2. Weak Points in the Compliance Chain

The compliance chain is only as strong as its weakest operational link, and in the Russia-related sanctions environment those weak links are rarely isolated. They tend instead to accumulate across data, institutions, workflows, and sectors, creating compound implementation risk. A sanctions regime may have broad legal coverage, detailed lists, and strong political backing, yet still underperform when information is incomplete, ownership opacity persists, reporting is fragmented, or institutions lack the capacity to act on the signals they receive. The European Parliament's 2023 study is particularly useful here because it frames implementation and enforcement as the underdeveloped side of EU sanctions policy and shows that the Union's decentralised model has produced a mosaic of practices rather than a uniformly robust system. FATF's 2025 report adds a wider cross-border dimension by warning that sanctions-evasion schemes exploit jurisdictional differences, weak beneficial-ownership regimes, uneven oversight, and limited information sharing. The EBA's 2024 guidelines then bring the problem down to operational level by documenting weaknesses in screening systems, data quality, calibration, and institutional understanding. These sources together show that the compliance chain does not fail only at the endpoint of enforcement. It can fail at almost every stage: identification, verification, escalation, reporting, supervisory follow-up, and cross-border coordination. Weakness in one stage can easily distort or neutralise the others. For that reason, the present subsection treats compliance failure not as a single gap but as a chain of interlocking vulnerabilities^{1,2,3}.

A first weak point is basic data quality. Screening, ownership analysis, route checks, and transaction monitoring all depend on the availability of accurate, up-to-date, and sufficiently detailed data. The EBA's 2024 report states that competent authorities found deficiencies in screening systems to be common, including outdated or incorrect lists, overreliance on vendor systems, inadequate screening frequency, limited fuzzy matching, and weaknesses in the scope of screening. The same report also notes that even technically sound systems will produce inefficient and inaccurate outcomes where customer or beneficial-owner data are incomplete or mistaken. This is a critical starting point because compliance is often described as a matter of governance, yet governance itself cannot perform reliably on a poor informational base. If the customer database contains misspelled names, outdated ownership details, inconsistent transliterations, or weak data fields, then the first filtering layer is already compromised. In such a situation, even diligent firms may generate both false negatives and false positives. The practical result is that data weakness becomes a multiplier of every later weakness in the chain. High-quality compliance cannot be built on low-quality identity information⁴.

A second weak point is beneficial-ownership opacity. The compliance chain increasingly depends on determining who truly owns, controls, or benefits from an entity, because sanctioned actors often rely on formally non-listed intermediaries and legal vehicles. Yet the EBA's final report explicitly records that access to beneficial-owner registers differs from one Member State to another, while FATF's 2025 report states that proliferation-financing and sanctions-evasion vulnerability deepens in countries with weak national laws on transparency of beneficial ownership for legal entities. FATF also warns that obfuscation techniques become even harder to detect in unregulated sectors or sectors with inadequate oversight. This combination is highly problematic. It means that even when operators know that beneficial ownership matters, they may not have timely, reliable, or harmonised access to the necessary information. Where ownership data are dispersed, stale, or legally difficult to obtain, control-based sanctions become harder to apply consistently. The weak point here is not only concealment by evaders. It is the uneven transparency environment in which compliance institutions must work. That

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

² European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

³ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁴ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

environment introduces systemic uncertainty into one of the most important sanctions tests in modern compliance practice^{1,2}.

A third weak point lies in the decentralised and uneven institutional architecture of implementation across the EU. The European Parliament's 2023 study states that the decentralised nature of sanctions enforcement has produced a mosaic of implementation and enforcement practices across the Union, with more than 160 designated competent authorities in Member States. The same study adds that Member States rely on widely different national sanctions implementation systems, varying in the number of NCAs, the degree of centralisation or decentralisation, the coordination forums they use, and even the mandates available for granting authorisations and licences to private actors. This is a major structural issue because compliance depends heavily on clear expectations about where firms should escalate cases, how rapidly authorisations are processed, and what kinds of interpretation are likely to be accepted. A fragmented public architecture inevitably transmits fragmented expectations to the private sector. It also makes cross-border firms more difficult to govern coherently, because they encounter different institutional logics inside what is formally the same Union regime. The problem is not decentralisation as such. The problem is decentralisation without strong enough convergence mechanisms to keep implementation patterns aligned. In sanctions compliance, that produces uncertainty at precisely the points where firms most need clarity^{3,4}.

A fourth weak point concerns public-sector coordination within Member States themselves. The Council's 2024 Best Practices state that Member States should ensure efficient national coordination and communication mechanisms between all relevant government agencies, bodies, and services with competence in restrictive measures. The fact that this recommendation must be stated so explicitly is already revealing. It signals that sanctions' implementation frequently spans multiple authorities with different mandates, including ministries, customs, supervisors, FIUs, law-enforcement bodies, prosecutors, and judicial actors, and that weak coordination between them can easily degrade the effectiveness of the regime. Where information does not travel efficiently across these bodies, firms may receive incomplete or inconsistent signals, reporting may not reach the most operationally relevant authority quickly enough, and intelligence may not translate into action. This is especially damaging in the Russia context, where circumvention frequently crosses domains: trade, banking, logistics, ownership, maritime services, and professional facilitation. A fragmented state response to a networked sanctions-evasion scheme creates precisely the blind spots on which the scheme depends. The compliance chain therefore depends not only on public-private interaction but also on public-public coherence^{5,6}.

A fifth weak point is limited administrative capacity. The European Parliament's 2023 study reports that, in several Member States, NCAs operate with relatively small teams dedicated to sanctions implementation, and that rising documentation and reporting requirements, together with the rapidly increasing scale and scope of EU sanctions regimes, have put significant strain on their limited resources. The study also notes that, as with most national implementation systems across the EU, Danish NCAs had only limited capacities for proactive monitoring and controlling the actions of individuals, financial institutions, and economic operators in order to pre-empt possible sanctions violations. These findings are analytically important because they reveal the difference between nominal responsibility and practical capacity. A system can assign implementation duties to NCAs, customs, or supervisory agencies and still remain weak if those authorities are understaffed, overloaded, or structurally reactive. In such circumstances, sanctions enforcement tends to depend too heavily on

¹ Ibid.

² Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

³ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁴ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁵ Ibid.

⁶ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

private reporting and too little on proactive public detection. Resource constraints therefore shift the burden of vigilance downstream while simultaneously weakening the public side's ability to assess and act on what it receives. Capacity scarcity, in other words, is not merely an administrative inconvenience. It is a structural weak point in the enforcement chain¹.

A sixth weak point lies in the quality and timeliness of guidance. The modern sanctions regime depends heavily on FAQs, best-practice documents, national guidance notes, and sectoral support channels because legal texts alone do not provide enough operational specificity for firms. Yet the need for frequent guidance itself signals a vulnerability: whenever interpretative support lags behind legal updates or circumvention patterns, operators are left to improvise under pressure. The European Parliament study recommended that the EU ensure adequate guidance for economic operators and work toward clearer definitions and more coherent implementation structures. The European Commission's sanctions implementation article of June 2025, which promotes the EU Sanctions Helpdesk and stresses support for SMEs, implicitly recognises the same problem. If a major Helpdesk is necessary to make the sanctions regime practically usable, then operator capability and interpretative accessibility remain uneven. Guidance overload can also become its problem, especially for smaller actors who lack dedicated sanctions teams. The weak point here is not only absence of guidance, but the difficulty of converting frequent, layered, and sometimes technically dense guidance into confident day-to-day decisions^{2,3}.

A seventh weak point is uneven sectoral competence outside the best-resourced parts of the financial system. FATF's 2025 report states that complex sanctions-evasion schemes are harder to detect in unregulated sectors or sectors with inadequate oversight, and that many designated non-financial businesses and professions are unaware of their responsibilities in monitoring and reporting proliferation-financing-related activities. FATF also notes that private-sector entities across sectors reported a lack of public-sector feedback on relevant SARs and STRs, which may make the challenge even harder to address. This has broad relevance to the sanctions chain. Sanctions regimes increasingly rely on actors such as freight forwarders, customs intermediaries, high-value goods dealers, art market participants, service providers, and VASPs, but those sectors do not always possess the same institutionalised compliance culture as large banks. The result is a compliance landscape in which sophistication is highly uneven. Some nodes in the chain may screen intensively, while others may barely understand what patterns should concern them. That unevenness is operationally dangerous because circumvention networks will naturally migrate toward the weakest-supervised or least-experienced nodes^{4,5}.

An eighth weak point concerns the calibration of screening systems themselves. The EBA's 2024 report identifies limited fuzzy matching, inadequate calibration, and poor understanding of screening systems by PSPs and CASPs as recurring supervisory concerns. This is highly significant because it means sanctions risk does not arise only from not having a system. It also arises from having a system that is technically present but misconfigured. Inadequate fuzzy matching can miss transliterated or slightly altered identifiers. Excessive sensitivity can swamp analysts with weak alerts. Poor system comprehension means that staff may trust or distrust alerts for the wrong reasons. In a sanctions context shaped by multilingual names, frequent updates, and layered beneficial-ownership risks, calibration is not a cosmetic tuning exercise. It is part of the legal-operational integrity of the screening process. Where calibration is weak, the chain becomes noisy in the wrong places and silent in the wrong places⁶.

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*

² Ibid.

³ European Commission. (2025, June 11). *Sanctions implementation*.

⁴ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁵ Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance*.

⁶ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

A ninth weak point is overreliance on vendors and external systems. The EBA states that competent authorities observed overreliance on vendors' screening systems together with a poor understanding of those systems by PSPs and CASPs. This is an important operational failure mode. Outsourced tools can improve efficiency and scale, but they do not eliminate the need for institutional judgement, calibration choices, data governance, and internal ownership of compliance outcomes. A firm that does not understand how its external screening system matches names, updates lists, handles aliases, treats free-text fields, or prioritises alerts cannot meaningfully defend its decisions. It becomes dependent on black-box logic at precisely the moment when sanctions enforcement increasingly demands reasoned and documentable control choices. The weak point, therefore, is not outsourcing per se. It is outsourcing without interpretative control. In such cases, the firm appears compliant by infrastructure while remaining weak in governance¹.

A tenth weak point concerns incomplete scope of screening. The EBA reports that supervisors found weaknesses in the scope of screening, with not all customers and beneficial owners being captured by the screening process. It also records that incomplete or mistaken customer and beneficial-owner data lead to inefficient and inaccurate outcomes, even where the screening system itself is technically sound. This problem is more serious than it may first appear. If some parties, owners, or transaction participants are not in the screening perimeter at all, then improvements in alert management or escalation cannot repair the omission after the fact. The weak point lies at the boundary of the system itself: who is screened, when, and on the basis of which fields. In Russia-related sanctions, where evasive actors deliberately shift the visible nexus to less obvious persons, representatives, intermediaries, or beneficial owners, scope weakness can be fatal. It creates the very blind spot that circumvention strategies seek to exploit².

An eleventh weak point is the tension between comprehensive screening and alert overload. The EBA consultation feedback records industry concerns that screening the purpose of fund transfers and free-text fields could be too burdensome and would lead to a significant increase in false positives. It also records concerns that interim freezing or rejecting payment instructions where information is insufficient would considerably slow the processing of funds, given the high number of false positives. This is one of the clearest windows onto what is often called alert fatigue, even where the document does not use that exact phrase. Institutions face a practical dilemma. If they widen the screening field aggressively, they may generate so many alerts that genuine risk becomes harder to distinguish. If they narrow the field too much, they miss evasive signals embedded in narrative fields, routing details, or ancillary identifiers. The weak point here is therefore not simply technical. It is organisational and economic. Excessive noise can degrade human review capacity, slow legitimate business, and create pressure to downgrade sensitivity³.

A twelfth weak point is the mirror-image problem of false negatives. The EBA does not label a separate section "false negatives", but the logic is clear from its findings on inadequate calibration, limited fuzzy matching, poor data quality, and incomplete screening scope. False negatives arise when designated persons, controlled entities, or suspicious transactions pass through the system without meaningful challenge. In the Russia sanctions environment, this risk is increased by transliteration variants, beneficial-ownership opacity, route complexity, and the use of intermediaries who appear commercially plausible on the surface. FATF's 2025 report strengthens this point by warning that sanctions-evasion schemes exploit jurisdictional differences, new technologies, and weaknesses in beneficial-ownership transparency. The weak point, therefore, is not just that some bad actors may escape detection. It is that the structural conditions of detection are themselves uneven and often inadequate. A compliance chain

¹ Ibid.

² Ibid.

³ Ibid.

burdened by data gaps and fragmented oversight will tend to under-detect precisely the more sophisticated forms of circumvention^{1,2}.

A thirteenth weak point lies in the speed-pressure mismatch between modern finance and sanctions review. EBA feedback on instant payments and payment-transfer screening shows that institutions worry about the operational burden created when sanctions review must occur in extremely compressed timeframes. OFAC's guidance on instant payment systems, while U.S.-based, reinforces the same point by insisting that systems need exception-processing features and communication tools so that potential sanctions concerns can be investigated despite real-time or near-real-time execution. The weak point here is structural. Financial infrastructure is built around speed, but sanctions control often requires pause, inquiry, and cross-checking. Where the system cannot be slowed in a disciplined way, either violations may slip through or institutions may overcompensate by blocking too broadly. Speed thus becomes a compliance vulnerability when the architecture of the payment rail is not aligned with the architecture of sanctions control. In a Russia-related environment marked by alternative payment channels and routed value flows, that vulnerability becomes particularly salient^{3,4}.

A fourteenth weak point concerns fragmented reporting and the limited usefulness of what is reported. The European Parliament study notes that enhanced documentation and reporting obligations can become an additional burden for NCAs that already face strained human resources. The same study also states that information-sharing and accountability among stakeholders involved in monitoring and evaluation need to be improved, including by ensuring that institutions' information requests are specific and concise and that NCAs respond in a timely and comprehensive manner. FATF's 2025 report adds a private-sector perspective by noting that firms reported a lack of public-sector feedback on relevant SARs and STRs. This combination is highly revealing. Reporting can be both too burdensome and not informative enough. Authorities may receive more material than they can process usefully, while firms may receive too little feedback to refine future judgement. The weak point is therefore not the absence of reporting channels as such. It is the absence of a sufficiently high-quality, reciprocal reporting ecosystem^{5,6}.

A fifteenth weak point is public-private information-sharing friction. FATF's 2025 report states that private-sector entities identified uneven implementation of data-privacy provisions, regulatory restrictions, confidentiality and trust concerns, delays in dissemination of intelligence, inconsistent data formats, and resource constraints as information-sharing challenges. The report also notes that sanctions-evasion actors exploit jurisdictional differences in approach and enforcement. This has direct relevance for the EU compliance chain. Even where firms are willing to report and authorities are willing to act, useful information may not travel quickly, in a compatible format, or with sufficient legal confidence. Data-protection concerns and sector-specific confidentiality rules can further complicate the exchange of ownership, payment, or transaction information across borders. The weak point therefore lies not simply in what each actor knows, but in what actors can legally and practically exchange with one another. In a networked sanctions-evasion environment, slow or fragmented information-sharing can neutralise otherwise solid controls^{7,8}.

A sixteenth weak point is the uneven level of proactive monitoring. The European Parliament study explicitly states that many national implementation systems have only limited capacities for proactive monitoring and controlling the actions of individuals, financial institutions, and economic operators in

¹ Ibid.

² Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

³ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁴ U.S. Department of the Treasury, Office of Foreign Assets Control. (2022, September). *Sanctions Compliance Guidance for Instant Payment Systems*.

⁵ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁶ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁷ Ibid.

⁸ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

order to pre-empt possible sanctions violations. This matters because a system overly dependent on ex post detection and private reporting can still fail even when firms make genuine efforts. Complex Russia-related circumvention schemes often cross multiple jurisdictions, sectors, and service layers. If authorities intervene only after a firm has already identified the issue, then enforcement remains reactive to the private sector's detection perimeter rather than broader than it. Proactive monitoring, by contrast, allows authorities to test sectors, identify recurring patterns, and push typologies back into compliance guidance before the private system encounters them alone. A weak proactive capacity therefore means that the public side of the compliance chain becomes too passive. That, in turn, increases the probability that sophisticated evasion will remain invisible longer than it should^{1,2}.

A seventeenth weak point is the dependency of the whole chain on sectors that remain partially under-supervised or rapidly evolving. FATF's 2025 report highlights the role of VASPs and other new technologies as areas where obfuscation is harder to detect and where regulatory weaknesses remain significant. It states that three quarters of FATF Global Network countries were assessed as non-compliant or only partially compliant with international standards on virtual assets and VASPs, leaving the sector vulnerable to abuse. This is directly relevant to sanctions compliance because evasive actors seek out not only permissive jurisdictions but also permissive sectors and technical infrastructures. A compliance chain that is comparatively strong in mainstream banking but materially weaker in adjacent payment, crypto, or trade-service ecosystems will still be vulnerable overall. The weak point here is uneven modernisation. Sanctions controls have evolved quickly in some sectors, but evasive actors do not wait for all sectors to catch up at the same rate^{3,4}.

These weak points do not operate independently. On the contrary, they reinforce one another. Poor beneficial-ownership data increases the burden on screening systems. Weak calibration increases false positives, which increases workload for already stretched compliance teams. Divergent Member State practice reduces predictability, which encourages defensive over-compliance or inconsistent escalation. Limited NCA resources slow authorisation handling and feedback, which increases private uncertainty. Weak public-private information sharing reduces the value of reporting, which in turn degrades future detection. The compliance chain therefore behaves less like a series of isolated controls and more like an interdependent system in which stress in one node redistributes pressure across the rest. This is why improvements at only one point in the chain often have limited effect if adjacent weak points remain untreated. Effective sanctions implementation requires not only stronger controls, but stronger linkages between controls^{5,6,7}.

Table 7.3.2-1. Principal Weak Points in the Sanctions Compliance Chain

Weak Point	Operational Manifestation	Primary Consequence	Wider Systemic Effect
Poor data quality	Outdated lists, incomplete customer fields, mistaken BO data, inconsistent transliterations	Inaccurate screening outcomes	Both false negatives and false positives increase
BO opacity	Weak registries, uneven access, opaque legal vehicles, control hidden behind non-listed entities	Ownership/control tests become unreliable	Evasion through front entities becomes harder to detect

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

² Office of Financial Sanctions Implementation. (2025, February). *Sanctions compliance in the financial services sector: threat assessment*.

³ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁴ Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance*.

⁵ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁶ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁷ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

Weak Point	Operational Manifestation	Primary Consequence	Wider Systemic Effect
Divergent Member State practice	Different NCA structures, mandates, processes, and coordination models	Uneven interpretations and authorisation handling	Internal market fragmentation and forum-shopping risk
Limited public-sector capacity	Small NCA teams, reactive monitoring, strained human resources	Slower guidance, weaker proactive detection	Overreliance on private reporting
Weak public–public coordination	Poor inter-agency communication among NCAs, customs, supervisors, FIUs, prosecutors	Delayed or incomplete follow-up	Networked evasion crosses bureaucratic seams
Guidance and usability gaps	Late, dense, or hard-to-operationalise guidance; SME dependence on support services	Private uncertainty and defensive compliance	Lower coalition sustainability over time
Sectoral expertise gaps	Weak sanctions literacy in non-bank and trade-adjacent sectors	Missed red flags and poor escalation	Evasion migrates to weaker sectors
Miscalibrated screening systems	Limited fuzzy matching, bad thresholds, poor system understanding	Either missed hits or excessive alerts	Lower trust in screening outputs
Vendor overreliance	Black-box screening without internal understanding or oversight	Weak defensibility of decisions	Apparent compliance without real governance
Narrow screening scope	Customers or BOs not fully captured; incomplete party coverage	Hidden nexus remains outside the control perimeter	Structural blind spots for indirect sanctions exposure
Excessive false positives	Noisy alerts, burdensome free-text screening, interim-freeze dilemmas	Analyst overload and slower processing	Pressure to weaken screening sensitivity
Fragmented reporting and weak feedback	High reporting burden, limited authority response, poor learning loop	Low informational value of reports	Reduced detection quality in future cases

Authorship: prepared by the author on the basis of official EU institutional materials and documents

Sources:

- European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions.*
- Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures.*
- European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures.*
- European Commission. (2025, June 11). *Sanctions implementation.*
- Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes.*
- Office of Financial Sanctions Implementation. (2025, February). *Sanctions compliance in the financial services sector: threat assessment.*
- Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance.*

The main conclusion is therefore clear. The weak points in the compliance chain are not confined to one part of the sanctions system and cannot be solved by stronger enforcement rhetoric alone. They lie in data quality, beneficial-ownership transparency, divergent national structures, limited administrative capacity, weak inter-agency coordination, uneven sectoral expertise, miscalibrated screening, vendor dependency, reporting friction, and thin feedback loops. Each of these weaknesses creates room for either under-compliance or dysfunctional over-compliance. Together they generate a compliance environment in which sophisticated Russia-related circumvention can exploit both legal complexity and institutional fatigue. For Part Seven, the analytical implication is decisive: the sanctions regime must be assessed not only by the strength of its prohibitions, but by the resilience of the chain that carries those

prohibitions into operational practice. Where that chain remains patchy, the sanctions architecture remains more vulnerable than its legal surface may suggest^{1,2,3,4}.

7.3.3. Over-Compliance, De-Risking, and Private-Law Frictions

Over-compliance is the point at which sanctions implementation ceases to be a disciplined translation of legal obligation into operational control and begins instead to function as a broader private-sector withdrawal from risk, counterparties, sectors, or jurisdictions. In the compliance architecture, this phenomenon is not merely the opposite of under-enforcement. It is a distinct implementation pathology. A firm facing legal uncertainty, reputational exposure, strict-liability risk, complex ownership chains, and imperfect guidance may decide that the safest option is not to manage the risk but to exit it. In that sense, over-compliance is often a product of rational institutional self-protection rather than ideological excess. Yet once it becomes systematic, it can distort the sanctions regime's intended targeting logic. The legal rule may remain formally precise, but the market response becomes wider than the law requires. This is why over-compliance must be analysed as part of sanctions effectiveness rather than as a purely private inconvenience. It affects who bears the burden of sanctions, how lawful activity is treated, and whether the coalition can maintain the regime without generating avoidable collateral frictions. In the Russia-related setting, where compliance obligations have become dense and fast-moving, the risk of defensive overreach has become especially salient^{5,6,7}.

In contemporary regulatory language, the closest general analogue to sanctions over-compliance is de-risking. The EBA's 2022 Opinion states that de-risking occurs across the EU and affects different categories of customers and potential customers, and that it can lead to adverse economic outcomes or amount to financial exclusion. FATF's 2025 financial-inclusion guidance goes further by reiterating that de-risking is, by definition, inconsistent with a proper application of the risk-based approach when it amounts to cutting off entire classes of customers rather than managing individualised risk. That principle is highly relevant to sanctions compliance. Sanctions law generally requires targeted restrictions, targeted freezes, targeted prohibitions, and targeted due diligence. It does not ordinarily require the wholesale abandonment of all relationships touching a country, nationality, or risk category. When financial institutions or service providers stop managing risk and instead retreat from broad classes of exposure, they are no longer merely complying. They are creating an additional private sanctions layer that may diverge from the public legal design. Over-compliance therefore matters not because caution is undesirable, but because wholesale caution ceases to be risk-based in the legally relevant sense^{8,9}.

It is important, however, not to caricature defensive compliance as irrational. The UK government's 2026 call for evidence on the ownership-and-control test explicitly acknowledges that the control element can be difficult to identify and assess, that this can lead to uncertainty, increased compliance costs, and a tendency towards de-risking, and that firms may limit, withdraw, or refuse services to clients, sectors, or jurisdictions perceived as presenting a higher risk of non-compliance. The same document notes that the language of the control test is purposefully broad in order to strengthen the impact and deterrent effect of financial sanctions, while also acknowledging that this creates challenges for practical application. This is a central analytical point. Over-compliance often emerges where the law

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

² European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

³ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁴ Office of Financial Sanctions Implementation. (2025, February). *Sanctions compliance in the financial services sector: threat assessment*.

⁵ European Banking Authority. (2022, January 5). *Opinion of the European Banking Authority on 'de-risking'*.

⁶ HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.

⁷ Financial Action Task Force. (2025). *Guidance on Anti-Money Laundering, Terrorist Financing Measures and Financial Inclusion*.

⁸ Ibid.

⁹ European Banking Authority. (2022, January 5). *Opinion of the European Banking Authority on 'de-risking'*.

intentionally uses broad concepts in order to catch disguised control, indirect benefit, or evasive restructuring. The legal design is therefore not neutral with respect to defensive market behaviour. Where the law broadens the perimeter to prevent circumvention, firms may broaden their risk avoidance perimeter to prevent error. Over-compliance is thus partly the private-sector shadow cast by anti-circumvention ambition¹.

The same UK document is also important because it recognises the unintended consequences of this dynamic in unusually direct terms. It states that, while de-risking may in some circumstances be a prudent response to reduce regulatory risk, it can have unintended negative consequences such as undermining legitimate business activity and disadvantaging entities that are not subject to financial sanctions. It further notes that the same uncertainty may result in inadvertent non-compliance in the opposite direction, where firms fail to identify cases in which financial sanctions should in fact be applied. This dual warning is highly instructive. It shows that over-compliance and under-compliance are not opposite worlds but twin risks generated by the same uncertainty. Where firms cannot confidently determine the legal perimeter, some will over-withdraw while others will miss relevant nexus. Defensive compliance is therefore not simply an excess of caution. It is a symptom of implementation stress. That stress then radiates outward into legitimate business relationships, sectoral access, and the allocation of compliance costs across the economy².

The European Commission's Russia FAQs show just how easily lawful activity can be caught inside that private overreach. The consolidated FAQ states that there is no general prohibition for EU citizens to make payments to Russian nationals holding bank accounts in Russian banks, provided the payment does not breach other specific prohibitions. It also states that there is no general prohibition for EU entrepreneurs to make payments to legal entities registered in Russia and no general prohibition on receiving payments from Russian legal entities where the underlying trade is non-prohibited. The same FAQ goes on to say, in relation to a Russian citizen with permanent residence in an EU Member State, that if neither the person nor the client is designated and the services are not prohibited, the Commission sees no reason why a bank should be restricting the account and that the sanctions do not provide a legal basis to refuse payments to that account based on Russian nationality. These clarifications matter because they reveal the gap that can open between the legal perimeter and private practice. Where banks or other institutions generalise from sanctions risk to broad nationality-based or geography-based refusal, they may be creating a layer of exclusion for which the sanctions framework itself offers no legal basis in the case at hand³.

That same conclusion is reinforced by the Commission's newer payment-services clarification. The March 2026 FAQ on payment services makes clear that Article 5b(2)(b) does not prohibit all payment services, but only specific services such as issuing instruments, acquiring, and initiating. It also states that continued use of existing payment instruments is not prohibited, that EU operators are not required to cancel or freeze existing cards, and that access to online or mobile banking can continue. It further clarifies that direct bank transfers and cash withdrawals are not prohibited by Article 5b(2)(b), although other sanctions rules may still be relevant depending on the case. These clarifications are highly relevant for the analysis of over-compliance because they show that even in politically sensitive Russia-related areas, the law preserves a narrower and more differentiated structure than firms may sometimes assume. Blanket service termination may therefore reflect private caution rather than public legal necessity. The distance between those two can create serious commercial and legal friction^{4,5}.

The EBA's April 2022 statement on financial inclusion in the context of the war in Ukraine is especially important because it links this problem directly to Russia- and Belarus-related exposure. The statement

¹ HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.

² Ibid.

³ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ Ibid.

⁵ European Commission. (2026, March 13). *Frequently asked questions on the provision of payment services concerning sanctions adopted following Russia's military aggression against Ukraine*.

emphasises that achieving compliance with the EU's financial sanctions regime should not lead to the financial exclusion of legitimate and potentially vulnerable customers, including customers with links to Russia or Belarus who are legally resident in the EU. It also states that compliance should not hamper efforts by EU organisations, including non-governmental organisations, to provide humanitarian relief in those areas. This is one of the clearest institutional acknowledgements that sanctions implementation can overshoot in practice. It also broadens the problem beyond banking inconvenience. Financial exclusion affects participation in ordinary economic and social life, while obstacles to humanitarian transfers can impair lawful relief efforts. Over-compliance, in other words, is not only a cost issue. It can become a problem of access, inclusion, and humanitarian operability^{1,2}.

Seen in this light, over-compliance is partly a legal-certainty problem and partly a governance problem. The UK cross-government review of sanctions implementation and enforcement, published in May 2025, records that businesses want simplicity and clarity and that the cost of compliance should be proportionate to the size of the business and its sanctions exposure. The same review states that the government's reforms are intended to make sanctions easier to comply with, including through more user-friendly guidance, clearer and better-structured guidance pages, a single sanctions list, and further clarity on ownership and control. These commitments are analytically revealing. They imply that policymakers recognise a causal link between guidance quality and implementation behaviour. Where law is difficult to navigate, defensive compliance becomes more attractive. Where clarity improves, institutions can manage risk more precisely rather than withdrawing indiscriminately. Over-compliance is therefore not only a private behavioural choice. It is also a signal that the interpretative environment remains more costly or ambiguous than policymakers would like^{3,4}.

One of the clearest private-law frictions generated by over-compliance is contractual disruption. The Commission's FAQ for small entrepreneurs explains that there is no general prohibition on making payments to Russian legal entities or receiving payments from them in relation to non-prohibited trade, and that competent authorities can help determine whether the relevant goods or services are in fact prohibited. The fact that the Commission needs to issue such clarifications indicates that lawful contractual performance can be interrupted by risk-averse financial or commercial intermediaries even where the underlying contract remains legally permissible. In practical terms, a bank may delay or refuse settlement, a service provider may terminate support, or an intermediary may decline to act, not because the contract is unlawful, but because the compliance burden of proving lawfulness is deemed too high. The friction is therefore not only with sanctions law itself. It is also with the private law of performance, continuity, payment, and reliance. Contracts that survive at the level of formal legality may still become commercially unworkable when defensive compliance enters the payment or service chain⁵.

A related friction concerns litigation risk and challenge risk. The UK ownership-and-control call for evidence explicitly asks respondents how the challenges of assessing hypothetical control affect due-diligence burdens, resource allocation, the risk of litigation against their assessment, or inconsistent outcomes. This is a notable official acknowledgment that sanctions compliance can generate private-law and procedural disputes even before a regulator intervenes. A firm that blocks a client, terminates a relationship, freezes performance, or declines to act on the basis of its control assessment may later have to defend that judgement against contractual challenge, reputational dispute, or claims of inconsistency. In such circumstances, defensive withdrawal can itself be both a response to legal risk and a source of legal risk. This is one of the distinctive features of over-compliance in the sanctions field:

¹ European Banking Authority. (2022, January 5). *Opinion of the European Banking Authority on 'de-risking'*.

² European Banking Authority. (2022, April 27). *EBA statement on financial inclusion in the context of the war in Ukraine*.

³ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁴ Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

it does not simply move institutions away from risk; it redistributes risk into other legal and commercial channels¹.

The EBA's de-risking opinion also shows that these frictions can reach market structure and system stability. It states that unwarranted de-risking has a detrimental impact on the achievement of EU objectives, particularly with regard to fighting financial crime effectively, promoting financial inclusion, and preserving competition in the single market. It further notes that where a Member State's respondent banks are being de-risked, this can affect the stability of that Member State's financial system. This is analytically significant because it shows that over-compliance is not simply about individual customers being inconvenienced. At scale, de-risking can alter market access, weaken competition, and concentrate financial intermediation in ways that may themselves create fragility. In sanctions policy terms, this means the side-effects of defensive compliance can spill beyond the immediate Russia-related risk and affect the resilience of the coalition's internal market. That is one reason why de-risking is not a peripheral concern. It touches the political economy of sanctions implementation itself².

The burden of over-compliance is also distributed unevenly. The UK review states that smaller businesses are less able to access specialist advice and that there is a strong appetite for enhanced outreach, while also stating that businesses want compliance costs proportionate to their size and sanctions exposure. The Commission's June 2025 article on sanctions implementation makes a similar point from the EU side by presenting the EU Sanctions Helpdesk as a tool offering free personalised support particularly to SMEs conducting sanctions due diligence. These institutional responses indicate that implementation burdens fall unevenly across the economy. Large multinational banks and major corporates may absorb ambiguity through dedicated legal and compliance teams. Smaller firms, peripheral sectors, and firms with occasional Russia-related exposure are more likely to respond to complexity by over-withdrawing. Over-compliance thus has a distributive dimension: the less compliance capacity an actor has, the more likely it is to substitute caution for calibrated analysis. That can gradually push lawful but sensitive business away from smaller operators and concentrate it either in larger firms or outside the coalition's mainstream channels altogether^{3,4}.

Another major driver of over-compliance is the interaction between broad legal concepts and strict or near-strict enforcement environments. The UK call for evidence states that the strict-liability model may have contributed to increased de-risking as industry actors seek to avoid the risk of being found in breach, particularly where it is difficult to determine whether control exists. OFSI's revised 2026 enforcement guidance, meanwhile, emphasises a strengthened enforcement framework and updated penalty processes. Read together, these sources show why defensive compliance can seem rational to firms. Where sanctions enforcement is expected to be more active and the underlying test is difficult to apply with confidence, the private incentive to over-screen, over-block, or over-withdraw grows stronger. This does not mean enforcement is the problem. It means that enforcement intensity must be accompanied by interpretative clarity and workable procedural expectations if it is not to generate avoidable chilling effects for lawful activity^{5,6}.

A further source of friction is reputational contagion. The EBA's 2022 de-risking opinion identifies situations where ML/TF risks or reputational risks exceed institutions' risk appetite as a key driver of de-risking. The same opinion also notes that institutions may de-risk categories of customers with common characteristics, particularly those linked to higher-risk jurisdictions, irrespective of mitigating factors. This is important for sanctions analysis because many Russia-related over-compliance patterns do not arise from a specific prohibition, but from the reputational contamination of a customer profile, nationality, corridor, or business model. Once "Russia-related" becomes a shorthand proxy for high

¹ HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*

² European Banking Authority. (2022, January 5). *Opinion of the European Banking Authority on 'de-risking'*

³ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁴ European Commission. (2025, June 11). *Sanctions implementation*.

⁵ HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.

⁶ Office of Financial Sanctions Implementation. (2026, February 9). *Financial sanctions enforcement and monetary penalties guidance*.

reputational cost, firms may prefer categorical refusal to differentiated assessment. That creates chilling effects well beyond the targeted sanctions perimeter. It also makes rehabilitation difficult, because even legally clean customers may remain commercially unattractive once they fall inside a stigmatised risk category. In this sense, over-compliance can act as a market amplifier of reputational sanctioning beyond the law itself¹.

This problem is especially acute in fast-moving payment environments. The EBA's 2024 restrictive-measures guidelines record consultation concerns about due-diligence burdens, screening challenges, and operational strain in the context of payments and transfers. Although the final guidelines are framed as supervisory standards, they reflect a real implementation dilemma: where transaction speed is high, data are incomplete, and sanctions exposure is uncertain, firms may treat delay or refusal as the safest operational option. The result can be lawful payments slowed, rejected, or subjected to heavy friction simply because the institution lacks enough time or confidence to clear them. Over-compliance, therefore, is not only a high-level strategic posture. It also appears in micro-operational settings as a bias toward interruption wherever the system cannot comfortably combine speed with reliable sanctions assessment. In practice, this can make legitimate low-risk activity expensive, unpredictable, and commercially unattractive^{2,3}.

Over-compliance also has a humanitarian and civil-society dimension. The EBA's 2022 Ukraine-related statement expressly says that sanctions compliance should not hamper efforts by EU organisations, including NGOs, to provide humanitarian relief in relevant areas. FATF's 2025 financial-inclusion guidance similarly states that countries and financial institutions should ensure that flows of funds for humanitarian assistance, legitimate NPO activity, and remittances are neither disrupted nor discouraged, and that de-risking entire classes of customers is inconsistent with a proper risk-based approach. These points matter because they reveal how defensive compliance can transform legal permissibility into practical inoperability. A humanitarian or civil-society transfer may remain licensable or lawful in principle, yet banks or counterparties may still decline to process it because the risk-management effort is judged disproportionate. The result is a chilling effect that arises not from sanctions text but from uncertainty about how to navigate the sanctions environment safely. Over-compliance can therefore undermine not only commerce but also channels of lawful relief and social support^{4,5}.

The private-law effects of over-compliance can also be cumulative rather than singular. A bank may keep the account open but refuse certain payment types. A payment intermediary may process direct transfers but refuse card renewal or acquiring. A professional-services provider may keep the client relationship nominally active while refusing ancillary services. A logistics provider may continue ordinary trade but refuse goods or routes requiring more intensive due diligence. None of these decisions necessarily violates the sanctions regime, but taken together they may erode the practical value of lawful rights and contracts. The Commission's FAQs on payments and accounts show clearly that the law distinguishes between prohibited and non-prohibited services in a granular way. Over-compliance collapses that granularity into a broader zone of market inaccessibility. The friction therefore often accumulates through multiple partial withdrawals rather than one dramatic termination. That cumulative withdrawal can be difficult to challenge because each actor points to its risk policy rather than a legally incorrect interpretation of the sanctions text^{6,7}.

¹ European Banking Authority. (2022, January 5). *Opinion of the European Banking Authority on 'de-risking'*

² European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures.*

³ Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions.*

⁴ European Banking Authority. (2022, April 27). *EBA statement on financial inclusion in the context of the war in Ukraine.*

⁵ Financial Action Task Force. (2025). *Guidance on Anti-Money Laundering, Terrorist Financing Measures and Financial Inclusion.*

⁶ European Commission. (2026, March 13). *Frequently asked questions on the provision of payment services concerning sanctions adopted following Russia's military aggression against Ukraine.*

⁷ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it.*

A further systemic cost is that over-compliance can degrade the coalition's policy credibility. If sanctions are experienced by firms and citizens as unpredictable, excessively burdensome, or broader in market practice than in law, support for long-term maintenance becomes harder to sustain. The UK review recognises this implicitly by linking easier compliance, better guidance, improved reporting channels, and proportionate costs to overall sanctions effectiveness. OFSI's 2025 annual review expresses the same logic even more directly by stating that its core objective is to ensure sanctions are targeted and impactful while enabling businesses to operate with clarity and confidence. This is not a pro-business embellishment. It is an acknowledgment that durable sanctions require implementational legitimacy inside the coalition. Over-compliance erodes that legitimacy when it creates the perception that lawful conduct is too difficult to distinguish from prohibited conduct in practice. Once that perception takes hold, political pressure for carve-outs, retreat, or selective relaxation becomes more likely. Defensive compliance therefore has strategic as well as transactional costs¹.

At the same time, it would be analytically wrong to treat every instance of service withdrawal as unwarranted. Some relationships are indeed too opaque, too costly to understand, or too exposed to justify continuation. The UK call for evidence explicitly states that de-risking can in some circumstances be a prudent response to reduce regulatory risk. The difficulty lies in distinguishing legitimate risk-management refusal from indiscriminate category-level retreat. FATF's case-by-case principle and the EBA's warnings against unwarranted de-risking supply the basic normative standard: institutions should manage risk proportionately at the level of the actual customer and transaction rather than cutting off whole classes of exposure by default. In sanctions practice, this means that a documented refusal based on unresolved beneficial-ownership ambiguity or clear circumvention indicators is not equivalent to a blanket refusal of services to all customers with Russian links. The distinction matters because only the latter represents over-compliance in the strict sense. The aim is not to suppress caution, but to keep caution disciplined and legally anchored^{2,3,4}.

The most effective mitigant against over-compliance is therefore not weaker sanctions, but better implementation conditions. The UK review's emphasis on clearer and more accessible guidance, a single sanctions list, ownership-and-control clarification, simpler reporting channels, and targeted outreach to less familiar sectors points in exactly this direction. OFSI's annual review similarly highlights clear communications, targeted guidance, responsive licensing, and sector-specific support as part of its compliance strategy. On the EU side, the Commission's helpdesk and FAQ architecture serve the same broad function. These are not merely communications improvements. They are anti-over-compliance measures insofar as they lower uncertainty, reduce private guesswork, and make lawful distinctions more operationally usable. The more predictable the guidance environment becomes, the less attractive indiscriminate withdrawal should be. In this sense, reducing unwarranted de-risking is itself part of strengthening sanctions effectiveness^{5,6,7}.

Table 7.3.3-1. Forms, Drivers, and Effects of Over-Compliance in the Sanctions Compliance Chain

Form of Over-Compliance	Immediate Driver	Typical Manifestation	Main Downstream Effect
Wholesale de-risking of customer categories	Legal uncertainty, reputational fear, weak sectoral expertise	Refusal to onboard or maintain relationships with broad customer groups	Financial exclusion, loss of competition, migration to weaker channels

¹ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*; Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*

² HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.

³ European Banking Authority. (2022, January 5). *Opinion of the European Banking Authority on 'de-risking'*.

⁴ Financial Action Task Force. (2025). *Guidance on Anti-Money Laundering, Terrorist Financing Measures and Financial Inclusion*.

⁵ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁶ Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁷ European Commission. (2025, June 11). *Sanctions implementation*.

Form of Over-Compliance	Immediate Driver	Typical Manifestation	Main Downstream Effect
Nationality- or geography-based service withdrawal beyond legal requirements	Misreading of Russia-linked restrictions, fear of error	Freezing or restricting accounts, refusing payments, blocking ordinary account use	Equal-treatment concerns, lawful activity impeded, reputational and contractual disputes
Defensive refusal of lawful payments or contract performance	Ambiguous control tests, complex due diligence burden, slow escalation routes	Non-processing of otherwise lawful payments, settlement delays, abrupt service termination	Contractual disruption, working-capital strain, reduced trust in sanctions governance
Overuse of screening-based interruption	Alert overload, insufficient calibration, low confidence in clearing alerts	Excessive transaction holds, repeated false positives, conservative release policies	Operational friction, customer dissatisfaction, reduced payment-system usability
Humanitarian or civil-society de-risking	Fear of sanctions complexity in high-risk corridors	Refusal to process permissible transfers or reluctance to service NGOs	Chilling effects on relief, remittances, and lawful support channels
Sectoral withdrawal by smaller or less specialised firms	Unequal access to expert advice, disproportionate compliance cost	Exit from higher-friction but lawful business lines	Uneven burden distribution and concentration of compliance-intensive activity

Authorship: prepared by the author on the basis of official EU institutional materials and UK official documents

Sources:

- European Banking Authority. (2022, January 5). *Opinion of the European Banking Authority on ‘de-risking’*.
- European Banking Authority. (2022, April 27). *EBA statement on financial inclusion in the context of the war in Ukraine*.
- European Commission. (2025, June 11). *Sanctions implementation*.
- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.
- European Commission. (2026, March 13). *Frequently asked questions on the provision of payment services concerning sanctions adopted following Russia’s military aggression against Ukraine*.
- Financial Action Task Force. (2025). *Guidance on Anti-Money Laundering, Terrorist Financing Measures and Financial Inclusion*.
- HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.
- HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.
- Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

The main conclusion is therefore clear. Over-compliance, de-risking, and the resulting private-law frictions are not accidental side notes to the sanctions’ regime. They are structural by-products of a compliance environment in which broad legal concepts, strict enforcement incentives, uneven sectoral expertise, and limited interpretative confidence interact. The risk is not that firms become too cautious in the abstract. The risk is that they begin to substitute categorical withdrawal for the risk-based, evidence-sensitive management that sanctions law actually presupposes. When that happens, lawful payments, lawful contracts, legitimate customers, and even humanitarian channels may be impeded without a direct legal requirement to do so. The result is a distortion of targeting, an uneven distribution of burdens, and a reduction in the operational legitimacy of the regime. A durable sanctions architecture therefore needs to control not only evasion and under-compliance, but also unwarranted over-compliance. For the Russia-related track, that means clearer guidance, better ownership-and-control usability, stronger sector-specific support, and more predictable escalation and reporting

environments. These are not softening devices. They are conditions for keeping compliance both rigorous and proportionate over time^{1,2,3,4}.

7.3.4. Enforcement Coordination and the Limits of Detection Capacity

Enforcement coordination is the stage at which sanctions policy moves from formal obligation and private-sector vigilance into actual public follow-up, investigation, disruption, and punishment. It is also the stage at which the practical limits of the entire compliance architecture become most visible. A sanctions regime may generate lists, guidance, due-diligence expectations, and reporting channels, but none of those instruments is self-executing once a possible breach or circumvention pattern is identified. Detection must still be translated into an institutional response. That response usually requires multiple authorities, multiple jurisdictions, and multiple bodies of law to interact in a time-sensitive and evidence-sensitive manner. In the Russia-related environment, this challenge is intensified by the cumulative nature of the sanctions' regime, the scale of circumvention efforts, and the cross-border distribution of goods, payments, ownership structures, and service providers. The European Commission's materials repeatedly emphasise that effective and diligent implementation of sanctions is key to preventing circumvention and that this remains primarily the responsibility of Member States. The practical implication is clear. The EU can legislate, coordinate, and guide, but the decisive enforcement burden still sits in a nationally implemented and operationally uneven field. That makes coordination capacity, rather than legal design alone, one of the decisive constraints on overall sanctions effectiveness^{5,6,7}.

A first structural limit is the distribution of enforcement authority across the Member States. The European Parliament's 2023 study states that the decentralised nature of sanctions enforcement has produced a mosaic of implementation and enforcement practices across the Union and that more than 160 designated competent authorities existed across Member States. It also notes that national systems differ markedly in their organisation, degree of centralisation, and institutional mandates, including those concerning authorisations and engagement with private actors. This is not a merely descriptive point. It means that when a suspicious pattern is detected, the path from signal to action depends heavily on where in the Union the case lands and which authorities are expected to take the lead. Some systems may be relatively centralised and co-ordinated, while others may disperse responsibility across finance ministries, customs services, licensing offices, prosecutors, FIUs, and supervisory authorities. Such variety is manageable in low-friction areas of regulation, but it becomes a serious operational constraint in sanctions enforcement, where timing, role clarity, and cross-border consistency often matter greatly. The problem is not that every Member State has a different legal tradition. The problem is that the adversary benefits from those differences whenever they slow or fragment the enforcement response^{8,9}.

A second limit lies in the simple fact that Member States remain unevenly equipped to investigate and monitor sanctions cases proactively. The European Parliament study reports that, in some jurisdictions, the relevant authorities operate with relatively small dedicated teams and that documentation and reporting requirements have increased significantly as sanctions packages multiplied. It also records that many national systems had only limited capacities for proactive monitoring of individuals, financial

¹ European Banking Authority. (2022, January 5). *Opinion of the European Banking Authority on 'de-risking'*.

² HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.

³ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁴ Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁵ European Commission. (2025, October 23). *Making sanctions effective*.

⁶ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁷ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁸ Ibid.

⁹ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

institutions, and economic operators in order to pre-empt possible violations. This matters because sanctions enforcement is not merely about acting once a violation is obvious. It also involves identifying hidden nexus, testing suspicious patterns, following up on weak signals, and converting fragmented information into a structured case. Small teams and reactive systems struggle to do this consistently, especially when they must simultaneously answer guidance queries, process authorisations, maintain stakeholder communication, and handle enforcement-related co-ordination. Resource scarcity therefore shifts the system toward reactive dependence on private reporting rather than active public detection. That is a major limit in a sanctions environment where sophisticated evasion often appears first as a pattern rather than as a completed overt offence¹.

The third limit concerns the shift from administrative implementation to criminal enforcement. The EU's 2024 directive on criminal offences and penalties for the violation of Union restrictive measures sets minimum EU-wide rules for defining criminal offences and penalties for violations and circumvention of EU restrictive measures. The Commission's "making sanctions effective" page explains that, since entering into force in May 2024, the new rules are intended to make it easier to investigate, prosecute, and punish the violation of these measures across all Member States. This is a significant institutional advance, because sanctions enforcement had long been characterised by highly uneven national criminalisation frameworks. Yet the very need for such harmonisation reveals the prior enforcement weakness. Without common minimum rules, the same conduct could trigger very different legal consequences depending on jurisdiction. More importantly, harmonised rules do not automatically create harmonised investigative or prosecutorial capacity. Criminalisation may provide a stronger legal basis for action, but it does not solve evidence-gathering bottlenecks, staff shortages, or divergent case-prioritisation cultures. The directive strengthens the formal enforcement perimeter, but the practical capacity to use it remains a separate question².

The persistence of transposition problems confirms that legal harmonisation alone does not guarantee operational readiness. In July 2025, the European Commission opened infringement procedures by sending letters of formal notice to several Member States for failing to fully transpose the directive on criminal offences and penalties for the violation of Union restrictive measures. This is a highly consequential development for the present subsection because it shows that even after the Union establishes minimum rules, actual enforcement convergence remains vulnerable to delays in domestic implementation. If transposition is incomplete or uneven, investigators and prosecutors continue to operate under divergent domestic frameworks, and cross-border cases remain harder to align procedurally. The issue is not only whether the rule exists. It is whether it is in force, usable, and linked to national criminal and procedural law in a timely manner. Detection capacity is weakened when follow-up powers vary across jurisdictions or when authorities do not yet share a common baseline on what counts as a criminal sanctions' offence. Enforcement coordination is therefore constrained not only by institutional complexity, but by legislative latency inside that institutional complexity^{3,4}.

A fourth limit is evidential. Sanctions cases often require proof not only that a prohibited act occurred, but that it occurred with the relevant nexus, knowledge, ownership, control, destination, or indirect benefit. This is especially difficult where circumvention has been designed to fragment the transaction into multiple jurisdictions and actors. Eurojust's earlier comparative report on the prosecution of sanctions violations is useful precisely because it treats sanctions cases as part of a broader judicial-cooperation challenge and highlights the importance of national inter-authority and international co-operation for prosecuting such violations. That insight has not become less relevant with time. On the contrary, the Russia sanctions environment has made it more acute. A direct shipment or direct payment is easier to prove than a layered deal involving a third-country intermediary, altered beneficial ownership,

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*

² EUR-Lex. (2024). *Criminal offences and penalties for the violation of EU restrictive measures*; European Commission. (2025, October 23). *Making sanctions effective*

³ European Commission. (2025, July 23). *Commission takes action to ensure complete and timely transposition of directives*.

⁴ European Commission. (2026, March 20). *March infringements package: key decisions*.

a freight forwarder acting as nominal end user, and parallel payment arrangements. The more circumvention relies on fragmented service provision, the more evidence must be assembled across the seams of the transaction. Detection capacity is therefore limited not only by whether a signal exists, but by whether it can be converted into evidentially durable proof^{1,2}.

Cross-border evidence exchange is therefore one of the central enforcement bottlenecks. Eurojust's general role in facilitating co-operation between national prosecutors is relevant here, but the key analytical point is broader: sanctions cases often require evidence from customs records, payment data, ownership registers, shipping records, beneficial-owner information, company filings, and private compliance documentation held in multiple jurisdictions. FATF's 2025 report identifies uneven implementation of data-privacy provisions, regulatory restrictions, confidentiality concerns, inconsistent data formats, delays in disseminating intelligence, and resource constraints as barriers to effective information sharing. These are not abstract technical issues. They shape whether a suspicious transaction can be reconstructed before its evidential value decays or before related actors shift assets again. When authorities cannot exchange relevant information quickly and in usable form, detection remains shallow and follow-up becomes patchy. Cross-border cases then tend to favour the evasive actor, because that actor has already designed the scheme to exploit institutional fragmentation. Enforcement coordination is therefore limited not only by legal competence, but by the speed, interoperability, and admissibility of the information that flows between competent bodies^{3,4}.

A fifth limit lies in customs detection capacity. Customs authorities are central to enforcement of trade restrictions, but customs control operates under high-volume conditions in which individual examination of every consignment is impossible. The Commission's customs action plan explains that risk management is pivotal to customs controls precisely because customs authorities cannot always examine goods on an individual basis and must facilitate legitimate trade while performing enforcement functions. The Commission's dedicated Ukraine-related customs page further reflects the importance of stopped-goods guidance and other sanctions-related customs tools. These materials together underline a basic operational reality: customs enforcement is inherently selective and intelligence-led. That makes it vulnerable to evasive strategies that exploit volume, routings, low-value fragmentation, or documentation that is formally complete but strategically misleading. Detection capacity at the border is therefore bounded by throughput realities as much as by legal authority. This is why customs intelligence, risk profiling, and targeted co-operation with other authorities are indispensable rather than optional enhancements^{5,6}.

The constraints on customs become even clearer in cases involving blocked or "stopped" goods. The Commission's 2023 guidance note to Member States on stopped goods as a result of sanctions states that the new Article 12e was introduced to provide legal certainty concerning the treatment of goods that become blocked by import prohibitions and to protect legitimate interests of EU importers. Although the measure is framed as a legal-certainty tool, it also reveals a deeper enforcement tension. Customs authorities are not merely detecting prohibited imports or exports; they are also expected to decide what to do with goods once they have been stopped and whether release would create circumvention risk. This moves customs from a simple control point into a risk-adjudication role. The more often such cases arise, the more pressure there is on customs expertise, inter-authority consultation, and case-by-case decision-making. Detection does not end at interception. It must continue into assessment of whether a stopped case can be resolved lawfully without reintroducing evasion risk^{7,8}.

¹ Eurojust. (2021). *Prosecution of sanctions (restrictive measures) violations in national jurisdictions: a comparative analysis*.

² Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

³ Ibid.

⁴ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁵ European Commission, Directorate-General for Taxation and Customs Union. (2020, September 28). *Customs Action Plan*.

⁶ European Commission, Directorate-General for Taxation and Customs Union. (n.d.). *EU measures following the Russian invasion of Ukraine*.

⁷ European Commission. (2023, September 4). *Guidance note to Member States on stopped goods as a result of the sanctions*.

⁸ European Commission, Directorate-General for Taxation and Customs Union. (n.d.). *EU measures following the Russian invasion of Ukraine*.

A sixth limit concerns prioritisation. Neither public authorities nor private institutions can investigate everything with equal intensity, so enforcement inevitably depends on choices about what matters most. The Commission's 2025 article on the 16th package emphasises that new measures are also aimed at tackling circumvention, while repeated Commission communications on common high priority items and circumvention indicate a deliberate concentration on the goods and channels most relevant to Russia's military-industrial base. This prioritisation is strategically rational, but it also generates blind spots. High-priority targeting means that lower-profile goods, secondary service providers, or less visible value channels may receive less scrutiny. Likewise, customs, prosecutors, and supervisors may prioritise large or politically salient cases while more granular but cumulatively important violations remain under-enforced. Prioritisation is unavoidable, but it is still a limit. Every prioritisation model implies a corresponding non-prioritisation zone that more adaptive actors may try to exploit^{1,2}.

Supervisory prioritisation in the financial sector creates a similar challenge. The EBA's restrictive-measures guidelines are designed to help competent authorities assess institutions' internal controls and screening systems, but supervisory attention remains finite. A system under which authorities must identify the riskiest firms, the weakest controls, and the most serious alert-management failures will necessarily operate through selective focus. That focus can improve overall effectiveness, yet it can also create predictable enforcement patterns. Firms may anticipate where supervisors are likely to look and where they are less likely to look. Moreover, supervisory assessments often concentrate on governance quality rather than on every individual suspicious case. This is institutionally sensible, but it means that some forms of operational failure may only be detected if they surface through reporting, whistleblowing, or major incident review. Detection capacity is therefore limited not just by resources, but by the need to triage scarce supervisory attention toward the cases and institutions believed to matter most^{3,4}.

The weakness of follow-up consistency is another important constraint. The Council's Best Practices recommend that competent authorities notify one another and the Commission of rejected authorisation requests, even where not legally required, in order to minimise internal-market distortions. That recommendation is valuable precisely because it recognises that follow-up can otherwise remain uneven. One authority may detect and refuse a high-risk pattern, while another may remain unaware and permit a materially similar application. Similar inconsistency can arise with freezing measures, reporting follow-up, customs interventions, or decisions on whether a case is serious enough for criminal investigation. The issue is not only fairness. It is predictability and deterrence. If like cases produce divergent enforcement responses across the Union, evasive actors gain opportunities to re-route through the softest or slowest point. Follow-up consistency is therefore a substantive enforcement asset, not simply an administrative virtue. Its absence dilutes the pressure effect of the regime even when the legal rules themselves are identical^{5,6}.

The sanctions chain is also limited by the relationship between reporting and action. Authorities need reporting from financial institutions, exporters, freight actors, and whistleblowers, but too much undifferentiated reporting can overwhelm analytical capacity, while too little feedback to reporters weakens future detection quality. FATF's 2025 report states that private-sector entities reported a lack of public-sector feedback on relevant SARs and STRs. The EBA's 2024 consultation record on restrictive-measures guidelines similarly captures concern that overbroad reporting expectations could flood competent authorities with incomplete or low-value information. These sources reveal a recurring problem of enforcement design. Detection capacity is not simply increased by generating more alerts or

¹ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

² European Commission. (2025, October 23). *Making sanctions effective*.

³ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁴ European Commission. (2024, April 24). *Questions and Answers: Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT)*.

⁵ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁶ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

more reports. It is increased when reports are sufficiently specific, prioritised, and connected to response mechanisms that allow authorities and firms to learn from outcomes. Without that feedback loop, the system tends to oscillate between overload and passivity. Both states weaken enforcement in different ways^{1,2}.

A seventh limit is that sanctions enforcement must increasingly compete with the speed and adaptability of modern financial and commercial infrastructures. OFAC's instant-payment guidance, although U.S.-based, is useful because it highlights a general problem: payment rails can now operate in real time or near real time, while sanctions analysis still often requires pause, inquiry, and exception processing. In the EU context, this concern is echoed in EBA discussions around screening transfers of funds and crypto-assets, including the need for systems to interrupt execution where a possible match or circumvention concern arises. This mismatch matters for detection capacity. The faster the transaction environment becomes, the less tolerance there is for slow manual review and the more likely that either true positives are missed or lawful transfers are over-blocked. Enforcement co-ordination is then not just an inter-agency problem. It becomes a problem of whether public and private systems can slow, query, and preserve high-risk activity without paralysing the legitimate infrastructure on which the wider economy relies^{3,4}.

The role of Europol illustrates both the strengths and limits of EU-level operational support. Europol's European Financial and Economic Crime Centre exists to enhance operational and strategic support in preventing and combating financial and economic crime in the Union. Europol's programming documents also state that the agency contributes to the work of the Commission's Freeze and Seize Task Force and supports Member State investigations with expertise, including on virtual assets. This matters because sanctions evasion increasingly intersects with financial crime, money laundering, and crypto-enabled concealment. Yet Europol's role is one of support and co-ordination, not direct prosecution or direct national enforcement authority. Europol can improve intelligence fusion, analysis, and cross-border operational support, but it does not remove the need for Member States to act, investigate, and prosecute. The agency therefore helps thicken the enforcement network, but it does not dissolve the underlying dependence on national capacities and political will⁵.

A similar observation applies to the Commission's Freeze and Seize Task Force. Commission materials describe the Task Force as a mechanism to strengthen co-ordination at operational level to ensure effective enforcement of EU sanctions across all Member States, particularly with regard to asset freezes and links between listed persons' assets and criminal activity. The 2025–2026 materials also indicate that the Task Force remains active, with multiple meetings continuing after the entry into force of the criminalisation directive. This confirms that the Union recognises enforcement co-ordination as an ongoing rather than a settled problem. At the same time, the very persistence of the Task Force signals that coordination needs active maintenance. If enforcement were straightforwardly harmonised and self-sustaining, such an operational task force would be less central. The Task Force should therefore be seen as both a strength and a symptom: a strength because it creates a co-ordination forum, and a symptom because it reflects how much ongoing effort is required to keep national enforcement sufficiently aligned^{6,7}.

Judicial co-operation presents its specific limits. Eurojust's work on sanctions violations and broader cross-border prosecution co-operation demonstrates the importance of common prosecutorial

¹ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

² European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

³ Ibid.

⁴ U.S. Department of the Treasury, Office of Foreign Assets Control. (2022, September). *Sanctions Compliance Guidance for Instant Payment Systems*.

⁵ Europol. (n.d.). *European Financial and Economic Crime Centre (EFECC)*; Europol. (2023, November 28). *Europol Programming Document 2024–2026*.

⁶ European Commission. (2025, October 23). *Sanctions against individuals, companies and organisations*.

⁷ European Commission. (2025, October 23). *Holding Russia accountable*; European Commission. (2025, October 23). *Making sanctions effective*.

understanding, evidence exchange, and co-ordination among national authorities. Yet sanctions cases can still face procedural asymmetries, different evidentiary standards, and different levels of prosecutorial experience across Member States. In October 2025, the Consultative Forum of Prosecutors General discussed sanctions enforcement explicitly, with participants stressing that rigorous enforcement of sanctions requires unity among prosecutorial authorities. The very need to make that point publicly indicates that the judicial dimension of sanctions enforcement remains in development rather than fully stabilised. Cross-border prosecutorial co-ordination can support sanctions cases, but it does not eliminate divergence in domestic priorities, legal cultures, or resource allocation. Detection capacity thus remains partly dependent on whether national prosecutors view sanctions cases as sufficiently strategic to pursue with the same intensity as other forms of economic or organised crime^{1,2}.

Another enforcement limit lies in the relationship between asset freezing and confiscation. Commission materials on solidarity with Ukraine note that Member States have immobilised over €28 billion in assets belonging to Russian and Belarusian listed persons and that the Union has moved to strengthen both asset recovery and the criminalisation of sanctions violations. This is important, but it also reveals a familiar asymmetry. Freezing is easier to achieve than confiscation, and immobilisation does not by itself resolve longer-term evidentiary and procedural challenges associated with proving criminality, tracing beneficial ownership, or moving from temporary restraint to durable legal consequences. The more sanctions enforcement relies on keeping assets frozen over time, the more important it becomes to sustain accurate records, clear ownership analysis, and admissible evidence. Detection capacity is therefore constrained not only at the moment of finding an asset, but over the much longer horizon of maintaining, litigating, and potentially converting that restraint into confiscation or other enforceable outcomes^{3,4}.

Partner-jurisdiction coordination is another area where both progress and limits are evident. Commission and Council materials highlight the role of the EU Sanctions Envoy and diplomatic outreach to third countries in preventing circumvention, while sanctions packages repeatedly note continued engagement with key third countries and “like-minded partners” to counter re-exports and related evasion. The Commission’s broader Ukraine timeline and sanctions pages also link EU efforts to the REPO framework and other forms of co-operation with G7 partners and Australia. This matters because many Russia-related circumvention schemes rely on jurisdictions outside the EU. Detection capacity inside the Union will remain incomplete if authorities cannot obtain co-operation, trade-monitoring support, or customs vigilance from relevant third countries. Yet diplomacy is not the same as enforcement authority. Outreach can encourage monitoring, controlling, and blocking of suspicious re-exports, but it cannot guarantee equivalent legal commitment or equivalent capacity abroad. Partner coordination is therefore necessary, but it remains structurally softer than domestic enforcement. That softness creates an enduring limit in a regime that increasingly depends on constraining re-routing through non-EU channels^{5,6,7}.

At the same time, the EU has begun to expand some of its information-sharing architecture in ways that may improve enforcement capacity over time. The Commission’s page on the Directive on Administrative Cooperation states that, as of 1 January 2026, DAC can also be used to combat money laundering and to enforce sanctions in the EU. This is a technically important development because it extends an existing administrative-cooperation framework into the sanctions field. In practical terms, better access to tax and related administrative data may support tracing, ownership reconstruction, and follow-up on suspicious economic activity. Yet the fact that such a step is only now becoming available

¹ Eurojust. (2021). *Prosecution of sanctions (restrictive measures) violations in national jurisdictions: a comparative analysis*.

² Eurojust. (2025, October 3). *EU Prosecutors General discuss organised crime and judicial cooperation*.

³ European Commission. (2025, October 23). *Holding Russia accountable*.

⁴ European Commission. (n.d.). *Solidarity with Ukraine*.

⁵ Ibid.

⁶ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁷ European Commission. (2025, October 23). *Making sanctions effective*.

also underscores the previous limitations of information sharing. Enforcement capacity improves when authorities can mobilise multiple data regimes, but such integration tends to arrive later than the circumvention patterns it is meant to address. This again illustrates a recurring dynamic in sanctions enforcement: institutional adaptation often lags behind evasive adaptation, even when the direction of reform is sound¹.

The private sector's role in detection also imposes a limit of its own. Compliance systems can produce alerts, reports, freezes, and escalations, but public authorities still have to decide which signals merit a full response. If authority-side follow-up is slow, inconsistent, or non-transparent, the quality of private detection may decline over time because institutions cannot distinguish which kinds of signals are truly useful. FATF's 2025 report identifies lack of feedback from authorities as a problem raised by private-sector entities, while OFSI's threat-assessment initiative reflects an attempt to support firms through more explicit public risk communication. These developments point in opposite directions: one describes a weakness, the other an attempted correction. The broader implication is that detection capacity is co-produced. It depends on a stable feedback loop between private reporters and public responders. Without that loop, institutions either over-report, under-report, or resort to defensive over-compliance. None of those outcomes is ideal from an enforcement perspective^{2,3}.

The practical limit of detection capacity can therefore be summarised as a tension between scale and granularity. The sanctions regime against Russia covers thousands of listed persons and entities, multiple packages, multiple service sectors, numerous product categories, and a continuously adapting circumvention environment. Enforcement bodies must cope with this scale while still generating case-specific, evidentially defensible, and timely interventions. That is inherently difficult. The more the system scales up, the more it must rely on prioritisation, selective intelligence, and private-sector pre-filtering. Yet the more it relies on those mechanisms, the greater the risk that lower-visibility evasion or inconsistently handled cases slip through. Detection capacity is therefore never absolute. It is a contested balance between coverage, speed, detail, and proof. The question for sanctions policy is not whether all breaches can be detected. It is whether the system can detect enough of the right breaches, fast enough and credibly enough, to preserve deterrence and reduce the payoff from circumvention^{4,5,6}.

Table 7.3.4-1. Enforcement Coordination Bottlenecks and Detection-Capacity Limits

Bottleneck	Where It Appears in the Chain	Core Operational Problem	Strategic Effect on Sanctions Enforcement
Decentralised Member State architecture	NCA, customs, supervisory, prosecutorial stages	Different mandates, structures, and case-handling models across jurisdictions	Produces uneven follow-up and encourages forum-shopping or re-routing
Limited staffing and proactive capacity	National implementation and investigation stage	Small teams and reactive systems struggle to move from signal to case	Reduces proactive detection and increases dependence on private reporting
Delayed or uneven criminalisation/transposition	Criminal investigation and prosecution stage	Common EU rules exist, but domestic implementation may lag or diverge	Weakens convergence in prosecution and penalty risk
Cross-border evidence and data-sharing frictions	FIU, customs, prosecutorial, and judicial co-operation stage	Confidentiality, legal restrictions, incompatible formats, and delays hinder case-building	Makes networked circumvention harder to prove and slower to disrupt

¹ European Commission, Directorate-General for Taxation and Customs Union. (n.d.). *Directive on administrative cooperation (DAC)*

² Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

³ Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance*.

⁴ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁵ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁶ European Commission. (2025, October 23). *Making sanctions effective*.

Bottleneck	Where It Appears in the Chain	Core Operational Problem	Strategic Effect on Sanctions Enforcement
Customs throughput and selective control	Border and trade-control stage	Customs cannot examine all consignments individually and must rely on risk management	Allows volume, routing, and document-based evasion to exploit screening limits
Supervisory prioritisation constraints	Financial-sector monitoring stage	Authorities must triage limited attention across many firms and risk vectors	Some weak controls or smaller-scale breaches remain under-scrutinised
Inconsistent follow-up across authorities	Authorisation, reporting, and enforcement stages	Similar cases may generate different responses in different Member States	Dilutes deterrence and weakens predictability
Weak feedback loops to reporting entities	Public–private interface	Firms receive limited information on which alerts or reports proved useful	Reduces the learning quality of private detection over time
Dependence on third-country cooperation	Anti-circumvention and re-export stage	Diplomatic outreach cannot fully substitute for foreign enforcement powers	Leaves extra-EU diversion corridors harder to police
Asset-freeze-to-confiscation gap	Asset-enforcement stage	Freezing is easier than evidentially durable confiscation or prosecution	Extends enforcement timelines and strains institutional resources

Authorship: prepared by the author on the basis of official EU institutional materials and documents

Sources:

- European Commission. (2025, October 23). *Making sanctions effective*.
- European Commission. (2025, October 23). *Sanctions against individuals, companies and organisations*.
- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.
- European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions*.
- Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.
- Europol. (2023, November 28). *Europol Programming Document 2024–2026*.
- Eurojust. (2021). *Prosecution of sanctions (restrictive measures) violations in national jurisdictions: a comparative analysis*.
- Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.
- European Commission, Directorate-General for Taxation and Customs Union. (2020, September 28). *Customs Action Plan*.
- European Commission, Directorate-General for Taxation and Customs Union. (n.d.). *Directive on administrative cooperation (DAC)*.

The main conclusion is therefore clear. Enforcement coordination remains one of the decisive bottlenecks in the sanctions regime because detection is not merely a matter of recognising risk. It is a matter of converting risk signals into coherent, timely, and evidentially sustainable institutional action. In the Russia-related environment, that conversion is constrained by decentralised authority structures, limited staffing, uneven criminalisation and transposition, customs volume realities, supervisory triage, weak feedback loops, and dependence on third-country cooperation. EU-level mechanisms such as the Freeze and Seize Task Force, the criminalisation directive, the Sanctions Envoy’s outreach, Europol support, and expanding data-sharing tools all strengthen the architecture. But they do not eliminate the fact that sanctions enforcement still operates through a chain whose weakest links remain national, cross-border, and capacity-bound. For Part Seven, the analytical implication is decisive: the effectiveness of sanctions does not depend only on how much is prohibited or how many red flags are known. It also depends on whether the coalition can organise enough co-ordination, evidence, and

follow-up to make circumvention materially more difficult than compliance. Where that organisational threshold is not met consistently, detection capacity becomes the limiting factor of the regime itself^{1,2,3,4}.

7.4. Compliance Outlook (2026–2030)

7.4.1. Strategic Functions to Preserve in the Compliance Track

The compliance outlook for 2026–2030 should not be framed primarily in terms of whether the Union adds more guidance documents, more lists, or more supervisory expectations. The more important question is which strategic functions the compliance track must preserve if the sanctions regime is to remain operationally effective under conditions of prolonged confrontation and adaptive circumvention. By this stage, the EU sanctions architecture against Russia is no longer a short-cycle emergency regime. It is a cumulative, cross-sectoral, and administratively dense system that must continue to function across finance, trade, logistics, insurance, customs, and professional services. In such a setting, preservation matters as much as innovation. A compliance architecture may formally expand while functionally degrading if it loses speed, legibility, or coherence. The official materials already point in the opposite direction: the Commission stresses effective implementation, the EBA has introduced common EU standards for restrictive-measures governance, and partner jurisdictions increasingly present compliance as a strategic rather than merely technical field. The outlook for 2026–2030 should therefore be organised around the core functions without which the regime would become slower, less predictable, and more porous. Those functions include predictability, update speed, anti-circumvention responsiveness, private-sector usability, legal defensibility, and cross-border interoperability. Preserving them is not a secondary administrative task; it is part of preserving the coercive value of the sanctions’ regime itself^{5,6,7}.

The first strategic function that must be preserved is predictability. A sanctions regime can remain politically forceful only if economic operators, supervisors, and national authorities can determine with sufficient confidence what is prohibited, what is licensable, and what level of due diligence is expected in a given case. The Commission’s sanctions-resources architecture, its consolidated FAQs, and the daily-updated legal access provided through EUR-Lex all reflect the same institutional premise: compliance depends on law being operationally legible. The Commission’s “making sanctions effective” page also notes that it has published hundreds of FAQs across the sectors affected by sanctions and continues to work together with national competent authorities that implement EU sanctions, grant authorisations, and prosecute violations. These measures would not be necessary if predictability were self-generating from the regulations alone. Their existence shows that predictability is a strategic function that requires active maintenance. Looking ahead to 2026–2030, this function must be preserved not only in the sense of continuing to publish guidance, but in the more demanding sense of keeping the guidance hierarchy coherent and usable. If predictability weakens, both over-compliance and under-compliance will rise, and the coalition’s implementation costs will increase. In a prolonged

¹ Ibid.

² European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions*.

³ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁴ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁵ European Commission. (2025, October 23). *Making sanctions effective*.

⁶ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁷ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

sanctions regime, predictability is therefore not the enemy of pressure. It is one of the conditions under which pressure remains governable^{1,2,3}.

Closely related to predictability is the second strategic function: operational accessibility of sanctions information. It is not enough for the law to exist and be correctly drafted; firms must also be able to find, understand, and apply the relevant information within real compliance timeframes. The Commission's sanctions-resources page highlights the consolidated list, the sanctions map, the whistleblower tool, EUR-Lex, and the Helpdesk as part of the usable interface of the sanctions' regime. These are not peripheral convenience tools. They are part of the architecture that lowers search costs, improves comparability of information, and reduces the risk that compliance decisions are based on stale or partial legal sources. The Helpdesk model is particularly important because it extends usability beyond large institutions with deep in-house expertise. The June 2025 Commission article explains that the Support Service provides free personalised help to companies conducting sanctions due diligence and that it can respond to questions on counterparties, goods or services, jurisdictions, and end-use issues within two working days. For the 2026–2030 period, preserving compliance usability will be essential because cumulative package growth can easily outpace the interpretative capacity of ordinary operators. A sanctions regime that remains legally valid but practically hard to navigate will become more unevenly implemented over time. Usability is therefore one of the core strategic functions that preserves both reach and fairness in the compliance track^{4,5}.

A third strategic function that must be preserved is update speed. The sanctions regime against Russia has already shown that the compliance architecture cannot remain static while evasion techniques, sectoral targets, and package scope continue to evolve. The Commission's 16th, 17th, and 19th package communications demonstrate precisely this pattern. In February 2025, the 16th package introduced additional vessel listings and a new listing criterion targeting support for unsafe oil tankers. In May 2025, the 17th package added 189 additional shadow-fleet vessels and expanded the total to 342, linking this directly to reduced Russian ability to evade the oil price cap. By October 2025, the 19th package extended pressure into further sectors and added new transaction bans and payment-system restrictions. These examples matter not only as substantive package developments, but as indicators of the tempo that the compliance system is expected to absorb. The strategic function to preserve here is not package proliferation as such. It is the ability of the compliance track to digest, transmit, and operationalise new measures quickly enough that legal adoption does not outrun market implementation. A slow compliance update cycle would create exactly the lag that adaptive actors need^{6,7,8}.

This update-speed function is not simply about formal legal acts. It also concerns how quickly guidance, lists, and compliance expectations are revised after those acts are adopted. The Commission's sanctions-resources page notes that the consolidated financial sanctions list is updated whenever necessary and reflects officially adopted texts, while EUR-Lex provides daily updates to legal documents. The OFSI annual review makes the same point from partner practice, emphasising that updated guidance and FAQs enabled businesses to adapt their compliance programmes swiftly and confidently to new regulations. It also highlights the combined e-alert service, which by April 2025 had reached over 56,000 subscribers and provided direct access to critical updates, guidance, and licensing information. This is strategically significant because it shows that update speed must be preserved not only at the level of public decision-making, but at the level of operator notification and implementation. A sanctions regime that updates law quickly but disseminates operational consequences slowly

¹ European Commission. (n.d.). *Overview of sanctions and related resources*.

² European Commission. (2025, October 23). *Making sanctions effective*.

³ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ European Commission. (2025, June 11). *Sanctions implementation*.

⁵ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁶ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

⁷ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁸ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

becomes more vulnerable, not less. For the 2026–2030 outlook, timely diffusion of changes must remain a preserved function of the compliance track if the Union wants to prevent implementation lag from becoming a structural weakness^{1,2}.

A fourth strategic function is anti-circumvention responsiveness. By 2026–2030, the central challenge is not merely preserving the letter of sanctions restrictions, but preserving the system’s ability to adapt when prohibited access is reconstructed through third-country intermediaries, shadow-fleet networks, ownership engineering, or fragmented service provision. The Commission’s due-diligence guidance and the dedicated FAQ on enhanced due diligence for operators dealing with common high priority items reflect this logic very clearly. They do not simply restate prohibitions. They identify circumvention risks, promote risk assessment, and connect high-priority goods to targeted anti-circumvention action by customs and partner-country enforcement agencies. The list of Common High Priority Items itself is expressly described as a support tool for due diligence and effective compliance. Preserving anti-circumvention responsiveness therefore means preserving the system’s ability to move from static restrictions to dynamic pattern-recognition and targeted follow-up. In outlook terms, this implies that typology-based vigilance must remain central even if the package structure stabilises. If the compliance track loses this adaptive quality, it may remain legally extensive while becoming operationally easier to route around^{3,4,5}.

The preservation of anti-circumvention responsiveness also requires the system to retain a strong prioritisation function. Not every item, route, or service channel can receive the same compliance intensity, and official sources already show that policymakers understand this. The Commission’s CHPI logic, the repeated vessel listings in the 16th and 17th packages, and the integration of shadow-fleet targeting into later packages all point toward prioritised pressure against the most strategically valuable or most frequently abused channels. The strategic function to preserve is therefore selective intensity. Compliance resources must continue to be concentrated where battlefield relevance, circumvention propensity, or revenue significance are highest. This is not a departure from comprehensiveness. It is what makes comprehensiveness administratively workable over time. A regime that loses prioritisation may become overloaded and diffuse its enforcement energy across too many low-impact nodes. For the 2026–2030 compliance outlook, preserving focused pressure on high-priority goods, risky maritime channels, and core financial conduits will remain essential^{6,7,8}.

A fifth strategic function is private-sector usability. Modern sanctions implementation relies structurally on private actors—banks, insurers, exporters, freight operators, compliance departments, and platform intermediaries. The public side can legislate and co-ordinate, but the daily points of interruption remain overwhelmingly private. This means the system must preserve the practical usability of its compliance obligations for those actors if it is to remain operationally effective. The Commission’s Helpdesk article is especially important here because it shows the Union moving beyond generic guidance toward a service model tailored in particular to SMEs. The article explains that firms can submit general sanctions questions or detailed due-diligence requests and receive support on counterparties, goods, jurisdictions, end-use, specific actions, and internal programme design. This is not merely a support measure for smaller firms. It is a strategic compliance function because it helps preserve a wider implementation base. If only large financial institutions and multinational corporates can operate confidently inside the sanctions’ regime, the coalition’s compliance capacity becomes more

¹ European Commission. (n.d.). *Overview of sanctions and related resources*.

² HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

³ European Commission. (2024, February 19). *Guidance on due diligence*.

⁴ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁵ European Commission. (2024, February 22). *List of common high priority items*.

⁶ Ibid.

⁷ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

⁸ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

concentrated, more unequal, and more brittle. Preserving usability therefore supports both effectiveness and distributional sustainability^{1,2}.

Private-sector usability must also remain sector-sensitive. The OFSI annual review reports tailored support across financial services, legal services, cryptoasset, charity, and maritime sectors, while the EBA guidelines distinguish between common standards for financial institutions and specific expectations for PSPs and CASPs handling transfers of funds and crypto-assets. These official approaches matter because they reject the idea that a single generic compliance model is adequate for all sectors. For 2026–2030, preserving private-sector usability will therefore mean preserving the capacity to translate sanctions obligations into sector-specific operational language. Maritime risk, payments risk, export-control risk, and humanitarian-risk handling do not present themselves in identical forms. A strategically durable compliance track must retain the ability to tailor guidance, outreach, and supervisory expectations to the actual transaction environments in which firms operate. Otherwise, the regime will become either too abstract to use well or too blunt to use proportionately^{3,4}.

A sixth strategic function is legal defensibility. A compliance track that acts quickly but cannot justify its decisions under legal or supervisory review will lose credibility over time. The EBA’s 2024 guidelines are important precisely because they transform restrictive-measures compliance into a governance and control discipline. They require clear internal governance, role allocation, risk management, and procedures that institutions and supervisors can assess. Partner-jurisdiction practice reinforces the same logic. The UK government’s strategic approach to sanctions enforcement, published in March 2026, explicitly presents the relationship between compliance and enforcement, clarifies roles and responsibilities, outlines enforcement principles, and explains the range of enforcement tools and the mitigating and aggravating factors considered in enforcement decisions. This is more than a deterrence document. It is part of the legal-defensibility function of the compliance track. Firms are better able to act decisively when they understand both the obligations and the consequences, and when enforcement appears principled rather than erratic. Preserving legal defensibility therefore means preserving robust records, structured escalation, and clear relationships between guidance, licensing, reporting, and enforcement consequences^{5,6}.

Legal defensibility is also what allows the compliance track to preserve proportionality. A regime that cannot distinguish reliably between prohibited, licensable, and permissible conduct will drift toward either over-compliance or under-enforcement. The Commission’s FAQs on payment services, its broader consolidated FAQs, and its Russia-related sanctions pages all show that the legal structure remains more differentiated than raw political rhetoric might suggest. This means that preserving a defensible compliance track for 2026–2030 also requires preserving the ability to act with nuance. Compliance should remain strong, but it must also remain legally bounded and reviewable. This is not a softening of the regime. It is a way to prevent the market from creating an uncontrolled second layer of private restrictions that exceeds the law and undermines targeting discipline. A sanctions regime that

¹ European Commission. (2025, June 11). *Sanctions implementation*.

² European Commission. (n.d.). *Contacts on EU sanctions*.

³ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁴ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁵ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁶ Foreign, Commonwealth & Development Office, Department for Transport, HM Revenue & Customs, National Crime Agency, Office of Financial Sanctions Implementation, Office of Trade Sanctions Implementation, & Stephen Doughty MP. (2026, March 10). *Sanctions enforcement: cross-government approach, March 2026*.

becomes unpredictable in private practice will eventually face resistance, litigation, and reduced coalition confidence. Legal defensibility thus feeds directly into long-term durability^{1,2,3}.

A seventh strategic function is cross-border interoperability. The compliance track cannot remain effective if each Member State, each supervisory authority, and each sector effectively develops its operational dialect of the sanctions regime. The Council’s 2024 Best Practices document is particularly important because it expressly states that the paper is under constant review and is intended to identify key elements for the effective implementation of restrictive measures within the EU legal system. The Commission’s “making sanctions effective” page then points to a regular expert group meeting on sanctions implementation, the Freeze and Seize Task Force, a high-level group bringing together all 27 Member State authorities with industry and business representatives, and ad hoc stakeholder meetings to discuss implementation. Together, these structures show that cross-border interoperability is already treated as a core function of EU sanctions administration. For 2026–2030, that function must be preserved because the pressure of cumulative packages, criminalisation rules, and anti-circumvention measures will otherwise increase national divergence rather than reduce it. Interoperability is what allows the regime to function as a Union-wide system rather than as a patchwork of parallel national practices^{4,5}.

The EBA’s restrictive-measures guidelines reinforce this same outlook from the supervisory side. The EBA states that, for the first time, it has set common EU standards on governance arrangements and on the policies, procedures, and controls financial institutions should have in place to comply with Union and national restrictive measures. This is strategically important because common standards reduce the risk that institutions operating across borders will face radically different control expectations in different parts of the Union. Preserving this convergence function through 2026–2030 will be crucial. Without it, the increasing complexity of sanctions controls would likely produce more supervisory arbitrage, more uncertainty for cross-border groups, and more room for evasive actors to exploit weaker implementation points. Interoperability in this sense is not only about co-operation between authorities; it is also about keeping supervisory expectations sufficiently aligned that firms can build durable compliance systems at scale⁶.

An eighth strategic function is enforcement-linked co-ordination. Compliance and enforcement cannot be treated as separate worlds in the next phase of the regime. The UK’s March 2026 strategic approach document explicitly links compliance to enforcement consequences and defines how departments, regulators, and enforcement bodies relate to one another. The May 2025 cross-government review had already focused on improving compliance, increasing deterrence, strengthening the cross-government toolkit, harnessing systemic efficiencies, improving information sharing, and minimising the administrative burden of compliance. These documents matter for the EU outlook not because the UK model is directly transferable, but because they express a principle that applies equally on the Union side: compliance works better when firms understand not only how to comply, but also how enforcement is likely to operate when they do not. For 2026–2030, the strategic function to preserve is therefore the visible and credible relationship between compliance expectations, reporting obligations,

¹ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it.*

² European Commission. (2026, March 13). *Frequently asked questions on the provision of payment services concerning sanctions adopted following Russia’s military aggression against Ukraine.*

³ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions.*

⁴ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures.*

⁵ European Commission. (2025, October 23). *Making sanctions effective.*

⁶ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures.*

enforcement roles, and consequences. If that relationship weakens, compliance drifts either into formality or into defensive over-withdrawal^{1,2}.

A ninth strategic function is sustained public–private interface quality. The Commission’s structures for expert meetings, high-level groups, stakeholder meetings, Helpdesk support, FAQs, and whistleblower tools all indicate that the sanctions regime now depends on continuous interaction with firms and other stakeholders rather than only on unilateral state commands. This function will remain critical through 2026–2030 because the regime increasingly operates through distributed detection and distributed interruption. Private operators are the ones who see payment anomalies, route deviations, documentary inconsistencies, and ownership opacity in real time. Public authorities provide legal authority, cross-border co-ordination, and criminal follow-up. Preserving the quality of this interface means preserving not only channels for reporting and support, but a broader climate in which firms view guidance, escalation, and communication as usable rather than futile. A degraded public–private interface would weaken detection, increase over-compliance, and reduce the overall learning capacity of the regime^{3,4,5}.

A tenth strategic function is data and identifier integrity. The consolidated list, daily EUR-Lex updates, and common standards for internal controls all matter because the compliance track ultimately acts on names, identifiers, ownership records, payment fields, and transaction attributes. The sanctions-resources page explains that the consolidated list reflects the officially adopted texts and that EUR-Lex provides the official and most comprehensive access to EU legal documents in all official languages. This function must be preserved through 2026–2030 because a compliance system with weak data integrity becomes slower, noisier, and less reliable, even if its legal design remains strong. The more the regime relies on targeted controls, beneficial-ownership analysis, and cross-border screening, the more important it becomes that the data layer remain current and operationally usable. Poor data quality does not merely reduce efficiency; it increases the probability of both missed nexus and needless friction. Data integrity is therefore a foundational strategic function, even if it often appears in practice as a technical one^{6,7}.

An eleventh strategic function is preservation of learning loops. The Council’s Best Practices document is explicitly described as being under constant review, which shows that the sanctions regime is expected to evolve through experience rather than only through package adoption. The UK’s annual review makes a parallel point when it highlights targeted advisories, sector-specific outreach, e-alert services, and tailored support across sectors as ways of helping firms adapt and strengthen compliance programmes. These official materials suggest that the future compliance track must remain able to learn from operational feedback, sectoral threat assessments, evasion typologies, and implementation bottlenecks. In the 2026–2030 period, a compliance system that no longer learns quickly from its cases will become progressively more formalistic and less responsive. Learning loops, therefore, are not merely nice-to-have managerial refinements. They are one of the strategic functions that preserve relevance as the adversary adapts^{8,9}.

A twelfth strategic function is coalition-side burden management. The UK review’s emphasis on minimising the administrative burden of compliance and keeping that burden proportionate to firm size

¹ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

² Foreign, Commonwealth & Development Office, Department for Transport, HM Revenue & Customs, National Crime Agency, Office of Financial Sanctions Implementation, Office of Trade Sanctions Implementation, & Stephen Doughty MP. (2026, March 10). *Sanctions enforcement: cross-government approach, March 2026*.

³ European Commission. (2025, October 23). *Making sanctions effective*.

⁴ European Commission. (2025, June 11). *Sanctions implementation*.

⁵ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁶ Ibid.

⁷ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁸ Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

⁹ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

and exposure is highly relevant to the EU outlook as well. Sanctions can only remain durable if the costs of lawful implementation do not become unnecessarily chaotic or socially concentrated. The Commission's SME-focused Helpdesk model and the OFSI annual review's emphasis on clarity and confidence both point in the same direction. For 2026–2030, burden management should be treated as a preserved strategic function rather than as an external business concern. A sanctions regime whose compliance burdens become too opaque or too uneven will lose legitimacy inside the coalition even if it remains aggressive toward the target. Preserving burden manageability is therefore part of preserving coalition durability. It reduces the risk that firms and national authorities alike begin to treat the compliance track as administratively unsustainable^{1,2,3}.

A thirteenth strategic function is the preservation of lawful narrow flexibility. The sanctions regime has become more robust in anti-circumvention terms, but it still relies on derogations, humanitarian channels, licensing processes, and other tightly governed permissions to remain proportionate and legally credible. The Commission's "making sanctions effective" page notes the EU-level humanitarian contact point, while the wider guidance ecosystem continues to provide practical information relevant to derogations and sectoral exceptions. The point for 2026–2030 is not that the compliance track should become more permissive. It is that it must preserve the ability to process lawful exceptions without undermining the restrictive core of the regime. A sanctions system that cannot distinguish reliably between prohibited and lawfully authorised activity will either over-block or invite political pressure for broader relaxation. Preserving narrow flexibility is therefore part of preserving overall discipline. It allows the regime to remain hard where it needs to be hard and workable where law already recognises justified exceptions^{4,5}.

A fourteenth strategic function is outward-facing interoperability with partner jurisdictions. Official EU materials increasingly link sanctions effectiveness to work with partner countries, especially where anti-circumvention and re-export control are concerned. The common high-priority-items logic and the package communications on shadow-fleet listings both implicitly rely on coordination beyond the Union itself. The 17th package communication is especially relevant because it notes that vessel listings were identified together with Member States and the European Maritime Safety Agency and that EU vessel listings, together with efforts from partners such as the UK and the US, were reducing Russia's ability to gain revenues from evading the oil price cap. This demonstrates that, for 2026–2030, preserving the compliance track will also mean preserving its ability to function inside a broader coalition architecture. If interoperability with partners erodes, circumvention space widens through external routing and service substitution. Sanctions compliance must therefore remain outwardly connected, not only internally coherent^{6,7}.

A fifteenth strategic function is preserving the connection between operational detail and strategic purpose. One of the risks in mature sanctions regimes is that compliance becomes so proceduralised that it loses sight of why particular items, routes, or service channels matter. The common-high-priority-items materials help guard against this by linking specific goods directly to battlefield recovery and military use. The later package communications perform a similar role for shadow-fleet vessels, unsafe tankers, banks, and payment systems. In other words, the compliance track remains stronger when it can still tie its operational priorities to the strategic objectives of degrading Russia's war-sustaining capabilities and reducing circumvention rents. For 2026–2030, preserving this connection will matter because procedural complexity alone does not motivate disciplined implementation. Compliance

¹ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

² European Commission. (2025, June 11). *Sanctions implementation*.

³ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁴ European Commission. (2025, October 23). *Making sanctions effective*.

⁵ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁶ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁷ European Commission. (2025, October 23). *Making sanctions effective*.

works better when institutions can still see the strategic logic behind the operational burden. The more visible that logic remains, the easier it is to sustain targeted vigilance rather than diffuse fatigue^{1,2,3}.

A sixteenth strategic function is preservation of visible state capacity behind the compliance regime. The Commission’s “making sanctions effective” page highlights expert groups, the Freeze and Seize Task Force, and industry-facing forums. The UK’s March 2026 enforcement strategy similarly clarifies departmental roles and the range of enforcement tools. These state-capacity signals matter because private compliance is more reliable when public institutions appear organised, active, and coherent. Firms are more likely to escalate difficult cases, invest in controls, and accept short-term compliance burdens if they believe public authorities can process information, issue usable guidance, and follow up violations in a principled way. A weakly visible state presence, by contrast, tends to encourage either private over-withdrawal or quiet risk tolerance. For the compliance outlook, preserving visible enforcement-support capacity is therefore part of preserving compliance quality itself^{4,5}.

A seventeenth strategic function is preserving simplicity wherever simplicity does not weaken substance. This is not the same as deregulation. It is the recognition, reflected in the UK review and in the Commission’s usability measures, that the administrative form of compliance matters for its long-term sustainability. Simpler guidance architecture, more intuitive list access, clearer reporting routes, and more standardised supervisory expectations reduce avoidable transaction costs without necessarily reducing sanctions pressure on the target. For the 2026–2030 track, simplification should therefore be understood as a preservation strategy. It helps maintain disciplined uptake of a complex regime by preventing the regime from becoming unnecessarily opaque to its implementers. In a cumulative sanctions system, simplification at the interface level can actually preserve hardness at the strategic level. The less energy firms spend deciphering avoidable complexity, the more energy they can spend identifying real circumvention risk^{6,7,8}.

The strategic conclusion for 2026–2030 is therefore not that the compliance track should simply become larger. It is that the compliance track must retain the functions that make a mature sanctions regime governable under pressure: predictability, rapid update capability, anti-circumvention responsiveness, private-sector usability, legal defensibility, proportionality, cross-border interoperability, enforcement-linked coherence, and continuous learning. These functions already exist in embryonic or developed form across the EU’s current architecture and in partner-jurisdiction practice. The challenge of the next period will be to preserve them while the regime continues to adapt to Russia’s evolving circumvention techniques and to the coalition’s accumulated administrative load. If these functions are preserved, the compliance track can remain a durable operating layer of sanctions pressure. If they degrade, the regime may remain extensive in law yet progressively less effective in practice. That is why the strategic outlook for compliance should be framed not around volume of regulation, but around preservation of operational capacity where it matters most^{9,10,11,12}.

¹ European Commission. (2024, February 22). *List of common high priority items*.

² European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

³ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁴ European Commission. (2025, October 23). *Making sanctions effective*.

⁵ Foreign, Commonwealth & Development Office, Department for Transport, HM Revenue & Customs, National Crime Agency, Office of Financial Sanctions Implementation, Office of Trade Sanctions Implementation, & Stephen Doughty MP. (2026, March 10). *Sanctions enforcement: cross-government approach, March 2026*.

⁶ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁷ European Commission. (2025, June 11). *Sanctions implementation*.

⁸ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁹ European Commission. (2025, October 23). *Making sanctions effective*.

¹⁰ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

¹¹ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

¹² HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

Table 7.4.1-1. Strategic Functions to Preserve in the Compliance Track, 2026–2030

Strategic function	Why it must be preserved	Principal operational carriers	Main erosion risk if weakened
Predictability	Keeps firms and authorities aligned on what is prohibited, licensable, and expected	Consolidated FAQs, legal-access architecture, interpretative guidance	Rising over-compliance, under-compliance, and divergent practice
Operational accessibility	Ensures sanctions law is usable in real compliance timeframes	EU Sanctions Helpdesk, sanctions map, consolidated list, EUR-Lex	Smaller operators withdraw or misapply rules
Update speed	Prevents legal adoption from outrunning implementation	List updates, e-alerts, rapid guidance revision, package communication	Implementation lag creates circumvention windows
Anti-circumvention responsiveness	Keeps the regime adaptive against changing evasion patterns	Due-diligence guidance, CHPI/CHPL logic, shadow-fleet targeting	Static compliance becomes easier to route around
Targeted prioritisation	Concentrates scarce compliance effort where strategic impact is highest	High-priority items, vessel listings, payment-system targeting	Diffused enforcement effort and reduced coercive yield
Private-sector usability	Preserves the distributed implementation base of the regime	Helpdesk support, sector-specific guidance, outreach and training	Excessive concentration of compliance in large institutions only
Legal defensibility	Allows fast action to remain reviewable and sustainable	Governance standards, reporting rules, enforcement guidance	Arbitrary practice, challenge risk, and reduced credibility
Cross-border interoperability	Keeps the regime functioning as a Union-wide system	Council best practices, EBA convergence, expert groups, task forces	Forum-shopping, uneven enforcement, fragmented expectations
Enforcement-linked coherence	Links compliance obligations to credible and intelligible state follow-up	Enforcement strategies, criminalisation, reporting routes	Compliance drifts into formality or defensive withdrawal
Continuous learning	Allows the system to adapt from cases, typologies, and sectoral experience	Constant review of best practices, advisories, outreach, feedback loops	Procedural stagnation and rising mismatch with evasion tactics
Burden manageability	Sustains coalition-side willingness to implement the regime over time	Simpler interfaces, proportionate obligations, SME support	Fatigue, resistance, and declining implementation quality
Narrow lawful flexibility	Preserves proportionality without weakening the restrictive core	Humanitarian contact points, derogation handling, licensing pathways	Either excessive blockage or political pressure for broader relaxation

Authorship: prepared by the author on the basis of official EU institutional materials and UK official documents
Sources:

- European Commission. (n.d.). *Overview of sanctions and related resources*.
- European Commission. (2025, June 11). *Sanctions implementation*.
- European Commission. (2025, October 23). *Making sanctions effective*.
- European Commission. (2024, February 22). *List of common high priority items*.
- European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.
- European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.
- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.
- European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

- HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.
- HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.
- Foreign, Commonwealth & Development Office, Department for Transport, HM Revenue & Customs, National Crime Agency, Office of Financial Sanctions Implementation, Office of Trade Sanctions Implementation, & Stephen Doughty MP. (2026, March 10). *Sanctions enforcement: cross-government approach, March 2026*.

7.4.2. Expected Evolution of Compliance Architecture

The most plausible evolution of the compliance architecture in 2026–2030 is not toward a radically different system, but toward a denser, more data-dependent, more networked, and more continuously supervised version of the system that has already emerged since 2022. The official materials do not present this as a single master plan, yet the institutional direction is clear. The European Commission’s implementation pages stress that effective and diligent implementation remains a standing priority, while the EBA has already moved from general expectation-setting to common EU standards on governance, procedures, and controls for restrictive measures. The UK’s 2025 cross-government review similarly frames the next phase in terms of systemic efficiencies, information sharing, and lower administrative friction. The implication is that compliance architecture is expected to evolve less through occasional doctrinal restatement and more through operational refinement. In this sense, the next period is likely to be characterised by architectural consolidation rather than conceptual reinvention. The compliance track will remain risk-based, but it will increasingly rely on structured data, better-integrated supervisory logic, and faster public–private feedback mechanisms. This is not speculation in the abstract; it is the trajectory already visible in the institutional materials published by EU and partner authorities^{1,2,3}.

A first expected shift is from document-heavy compliance toward more structured-data-dependent compliance. The EBA’s 2024 sanctions guidelines are especially revealing here because they do not simply ask institutions to “check” sanctions. They require governance over screening datasets, customer data, transfer information, and the policies and controls used to manage them. The same materials distinguish between general restrictive-measures governance and the more specific requirements applied to payment service providers and crypto-asset service providers handling fund and crypto transfers. This indicates a move toward a compliance model in which data fields, transaction attributes, and screening logic matter as much as legal awareness. The likely 2026–2030 evolution is therefore toward a more formalised data architecture underpinning compliance decisions. This will not eliminate the need for legal interpretation, but it will increasingly shift practical emphasis toward data integrity, standardisation, and field-level usability. The more sanctions depend on detecting indirect nexus, layered ownership, and fragmented service chains, the more compliance will need structured data rather than improvised documentary review alone. That trend is already visible in the supervisory grammar of the EBA rules^{4,5}.

A second expected shift is toward more machine-readable and operationally synchronised legal content. The Commission already maintains a consolidated list, sanctions FAQs, guidance documents, and EUR-Lex access to the legal acts, and its sanctions-resources page is clearly designed as an operational entry point rather than a purely descriptive portal. This suggests that the compliance architecture will continue moving toward systems in which legal change, list change, and guidance change are more tightly connected in time and format. The logic is straightforward. If sanctions packages continue to evolve quickly, the cost of implementation lag rises. A future-ready compliance architecture

¹ European Commission. (2025, October 23). *Making sanctions effective*.

² HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

³ European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.

⁴ Ibid.

⁵ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

will therefore need legal content that is not only authoritative, but easier to ingest into internal workflows and digital controls. This is likely to mean greater emphasis on standardised reference points, clearer update cascades, and more seamless transitions from formal amendment to operational deployment. The expected evolution is thus not merely more law, but law rendered in forms better suited to rapid compliance uptake^{1,2,3}.

A third expected shift is toward typology-based supervision rather than purely rule-recitation-based supervision. FATF's 2025 report on complex proliferation-financing and sanctions-evasion schemes is especially important here because it frames current threats in terms of techniques, vulnerabilities, and risk indicators intended to support both public and private actors. The report explicitly states that the indicators are designed to enhance the ability of public- and private-sector entities to identify suspicious transactions and activity linked to relevant sanctions-evasion risk. This suggests a broader supervisory evolution: authorities are increasingly likely to assess not only whether institutions have a sanctions manual, but whether they can identify and respond to the typologies that matter most in practice. In the 2026–2030 period, compliance architecture is therefore likely to become more pattern-sensitive and less satisfied with formal control presence alone. Firms will still be judged on governance and procedures, but those procedures will increasingly be expected to reflect real evasion methods rather than generic risk statements. This is one of the clearest expected evolutions of the system as it adapts to a more networked circumvention environment⁴.

A fourth expected shift is toward sector-specific threat intelligence being built directly into the compliance architecture. The OFSI collection of threat assessments states that these reports are published as sector-specific assessments addressing threats and vulnerabilities relating to UK financial sanctions and are intended to assist stakeholders in key sectors as part of a broader risk-based approach to sanctions compliance. This is a highly instructive development because it shows compliance architecture evolving from general guidance to differentiated risk communication by sector. The logic is likely to spread further. Financial services, cryptoassets, legal services, property, art-market participants, high-value goods, maritime services, and other sectors do not face the same risk shape. A mature compliance architecture for 2026–2030 is therefore likely to rely increasingly on threat-assessment models that push typology-relevant intelligence toward the sectors that actually need it. This would amount to a more granular supervisory ecosystem, in which risk communication becomes more tailored and operationally useful. It is a natural next step for a regime that already depends on private actors to detect the first signs of circumvention^{5,6,7}.

A fifth expected shift is toward stronger beneficial-ownership analytics and ownership-structure reconstruction. This follows directly from the fact that both sanctions compliance and sanctions evasion increasingly turn on control, hidden benefit, and indirect influence rather than only on listed names. FATF's 2025 report emphasises that significant vulnerabilities remain across the global financial system and highlights techniques that exploit weak transparency and uneven understanding of relevant vulnerabilities. The EU side is moving in a similar direction through its AML/CFT reforms. The Commission's 2024 AML/CFT Q&A explains that the new framework is designed to modernise enforcement and improve detection and that coherent EU-level answers are needed more than ever. The likely implication for sanctions compliance is deeper integration between restrictive-measures screening and beneficial-ownership analysis, especially where cross-border groups, opaque vehicles, and intermediary jurisdictions are involved. In other words, BO verification is likely to become more

¹ European Commission. (n.d.). *Overview of sanctions and related resources*.

² European Commission. (2025, October 23). *Making sanctions effective*.

³ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁴ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁵ Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance*.

⁶ Office of Financial Sanctions Implementation. (2025, February 13). *Sanctions compliance in the financial services sector: threat assessment*.

⁷ Office of Financial Sanctions Implementation. (2025, July 21). *Sanctions compliance in the Cryptoassets sector: Threat Assessment*.

analytical and less registry-dependent in the narrow sense. The compliance architecture will increasingly have to think in terms of relationship mapping rather than only static entity identification^{1,2}.

A sixth expected shift is toward more explicit network mapping of sanctions risk. This is already visible indirectly in the way authorities discuss circumvention through intermediaries, service chains, proxy structures, and cross-border arrangements. But the architecture is also evolving institutionally in that direction. The Commission's "making sanctions effective" page refers to the Freeze and Seize Task Force as a mechanism to explore links between assets belonging to listed persons and criminal activity, while its implementation structures bring together Member States, industry, and stakeholder groups to discuss operational issues. That language of "links" is important. It suggests that the future compliance architecture will increasingly treat sanctions risk as a network phenomenon rather than as a simple one-to-one relation between a listed person and a direct counterparty. In practice, this points toward greater use of networked case analysis, chain-of-transaction logic, and asset-link reconstruction. The likely result for 2026–2030 is a compliance environment that expects institutions not merely to recognise direct hits, but to understand how sanctioned nexus may travel through connected structures^{3,4}.

A seventh expected shift is toward stronger EU-level supervisory convergence in the financial sector, driven above all by AMLA. The Commission's AMLA Q&A states that, as direct supervisor, AMLA will check compliance with sanctions-related measures by the riskiest cross-border groups in the financial sector, contribute to a common supervisory approach to verification of compliance with sanctions-related requirements, and provide critical input into the understanding and mitigation of risks of sanctions evasion and non-implementation at Union level. This is one of the most consequential indicators of likely future evolution. It means that sanctions compliance is set to become more deeply embedded in the EU's broader supervisory architecture rather than treated as a partly detached foreign-policy overlay. For 2026–2030, this points toward more consistent expectations for large cross-border groups, more centralised risk visibility, and a more harmonised language of supervisory assessment. It does not eliminate Member State responsibility, but it does suggest a thicker EU-level layer of convergence in the financial domain. That is likely to be one of the defining institutional changes of the period⁵.

An eighth expected shift is toward more integrated financial-intelligence ecosystems. The Commission's February 2025 article on the 'Next-Generation' FIU.net states that the system went live on 3 February 2025 and provides FIUs and Europol with a significantly improved, state-of-the-art IT solution enabling quicker, more efficient exchange and cross-matching of information. It also states that the new system improves the handling, processing, and transfer of large datasets and enhances interoperability with FIUs' systems. This is highly relevant for the sanctions outlook because it points toward an architecture in which suspicious patterns, sanctioned nexus, and financial-intelligence signals can be processed faster and across more connected systems. The likely 2026–2030 evolution is therefore toward greater use of intelligence-style cross-matching in sanctions-related investigations and compliance support. This should strengthen the public side of the feedback loop on which private detection increasingly depends. It also suggests that structured data and interoperability will not remain purely private-sector matters; they will be equally central to public enforcement capacity⁶.

A ninth expected shift is toward more digitally embedded screening and control in payment and crypto environments. The EBA's 2024 sanctions work and the underlying transfer-of-funds and crypto-asset logic already show that compliance expectations now extend to how transfers are screened, interrupted, and evaluated in digital-value environments. The EBA press release explicitly states that its second set of final guidelines is specific to PSPs and CASPs and specifies what those actors should do to comply

¹ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

² European Commission. (2024, April 24). *Questions and Answers: Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT)*.

³ European Commission. (2025, October 23). *Making sanctions effective*.

⁴ European Commission. (2025, October 23). *Sanctions against individuals, companies and organisations*.

⁵ European Commission. (2024, April 24). *Questions and Answers: The new EU Anti-Money Laundering Authority (AMLA)*.

⁶ European Commission. (2025, February 4). *'Next-Generation' FIU.net*.

with restrictive measures when performing transfers of funds or crypto-assets. This points to a future in which payment-system compliance will increasingly depend on real-time or near-real-time control logic, digital exceptions handling, and structured analysis of transfer data rather than retrospective manual review. The likely evolution is therefore toward greater technical integration of sanctions controls into payment rails and crypto-service workflows. This does not imply full automation of legal judgement. It implies that the architecture will increasingly have to combine speed with interruption capability, especially as circumvention strategies move further into fast-moving value channels¹.

A tenth expected shift is toward expanded sector-specific guidance rather than a return to broad generic instructions. OFSI's annual review states that, in 2024–25, it prioritised clear communications, targeted guidance, proactive industry engagement, and responsive licensing, and that it provided tailored support across financial services, legal services, cryptoasset, charity, and maritime sectors. This is one of the clearest official signals about future architecture. The likely next-stage model is not a single sanctions manual for all sectors, but a layered environment in which common legal principles are paired with sector-specific operational translation. For 2026–2030, this means the compliance architecture is likely to become more modular: general framework, sector guidance, threat assessments, and issue-specific updates working together. That approach is a rational response to the reality that sanctions risk now appears very differently in banking, shipping, crypto, property, professional services, and trade-control contexts. The future architecture will therefore likely depend on specialisation without fragmentation^{2,3}.

An eleventh expected shift is toward tighter integration of trade-control compliance with anti-circumvention analytics. The Commission's July 2025 enhanced due-diligence materials for operators dealing in common high priority items are explicitly focused on strengthening due diligence in response to re-export risk and on giving national competent authorities a better tool to curb circumvention through third countries. This suggests a future architecture in which export controls, sanctions screening, route analysis, and end-use due diligence are treated less as parallel exercises and more as parts of a single anti-diversion system. In practical terms, operators are likely to face more expectations around stakeholder mapping, route plausibility, end-user verification, and downstream control over high-priority items. The expected evolution is therefore toward a more tightly coupled trade-compliance architecture, especially where battlefield-relevant goods and third-country re-export risk are concerned. This is consistent with the broader shift from static prohibitions to dynamic anti-circumvention design^{4,5}.

A twelfth expected shift is toward stronger public-private implementation support as a permanent feature rather than an emergency add-on. The Commission's June 2025 implementation article presents the Support Service as a standing mechanism through which companies can obtain tailored help on sanctions due diligence, counterparties, jurisdictions, goods, end use, and internal programme design. It also notes that many SMEs lack the specialised legal expertise needed to assess complex or changing sanctions situations quickly and accurately. This is highly relevant for the architecture outlook. It indicates that the sanctions regime increasingly recognises its dependence on the operational capacity of ordinary market participants. The likely 2026–2030 evolution is therefore toward a more service-oriented public interface: more support channels, more targeted guidance, more direct assistance to less-resourced firms, and a greater attempt to reduce preventable implementation asymmetries. In effect, the architecture is likely to become more participatory in its operation, even while remaining coercive in its purpose⁶.

A thirteenth expected shift is toward stronger interoperability and standardisation across Member States. The Commission's "making sanctions effective" page refers to regular expert-group meetings

¹ European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.

² HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

³ Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance*.

⁴ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.

⁵ European Commission. (2024, February 22). *List of common high priority items*.

⁶ European Commission. (2025, June 11). *Sanctions implementation*.

with national authorities, the Freeze and Seize Task Force, a high-level group involving all 27 Member State authorities together with industry and business representatives, and ad hoc stakeholder meetings on implementation. The Council's Best Practices are explicitly under constant review. These are strong indicators that the Union expects compliance architecture to evolve through iterative convergence rather than through one-off harmonisation. For 2026–2030, this likely means more pressure toward common operational assumptions, more standardised expectations around controls and reporting, and greater use of shared forums to reduce national divergence. This will not eliminate all differences, but it should strengthen the Union-wide character of compliance practice. That is likely to matter especially where firms operate across multiple Member States and where evasive actors exploit variation between them^{1,2}.

A fourteenth expected shift is toward closer integration between compliance and enforcement architectures. The UK's 2025 cross-government review framed reform around compliance, deterrence, powers, systemic efficiencies, and better information sharing, while the March 2026 UK strategic approach to sanctions enforcement explicitly links compliance and enforcement as parts of a single strategic logic. The likely significance for the broader compliance outlook is that compliance systems will increasingly be judged by how well they support enforceability: whether they preserve evidence, generate useful reporting, and map risk in a form that supervisory or investigative authorities can use. In other words, the expected evolution is from “compliance as internal control” toward “compliance as enforcement-enabling control”. The stronger this integration becomes, the more sanctions implementation will resemble a continuous governance loop rather than a sequence of disconnected legal and private actions^{3,4}.

A fifteenth expected shift is toward more disciplined use of outsourced RegTech and vendor systems. The current trajectory does not suggest a retreat from technology. It suggests a stronger expectation that firms understand, govern, and be able to explain the technology they use. The EBA's 2024 materials are revealing here because they link sanctions controls to governance and risk-management frameworks, while also identifying weaknesses in internal policies and procedures as risks that undermine the effectiveness of restrictive measures and can lead to circumvention. The implication for 2026–2030 is that institutions will likely be expected to demonstrate not merely that they have a vendor or screening engine, but that they understand its calibration, scope, and integration into decision-making. The architecture is therefore likely to evolve toward more accountable digitalisation rather than naïve automation. Technology will become more central, but also more scrutinised as a governed part of the compliance chain⁵.

A sixteenth expected shift is toward more systematic burden management and simplification at the interface layer. The UK cross-government review explicitly focused on improving information sharing and minimising the administrative burden of compliance, while OFSI's annual review framed its work in terms of clear communications, targeted guidance, and helping firms adapt to regulatory change and strengthen compliance programmes. This suggests that the future architecture will not simply add obligations indefinitely. It will also seek to manage the cost of those obligations so that the regime remains sustainable. The expected evolution is therefore paradoxical only on the surface: compliance architecture is likely to become both more demanding in substance and simpler in interface. More structured data, more targeted alerts, more tailored guidance, and better-organised public resources

¹ European Commission. (2025, October 23). *Making sanctions effective*.

² Council of the European Union. (2024, July 3). *EU Best Practices for the effective implementation of restrictive measures*.

³ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁴ Foreign, Commonwealth & Development Office, Department for Transport, HM Revenue & Customs, National Crime Agency, Office of Financial Sanctions Implementation, Office of Trade Sanctions Implementation, & Stephen Doughty MP. (2026, March 10). *Sanctions enforcement: cross-government approach, March 2026*.

⁵ European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.

can reduce friction for legitimate operators even as the anti-circumvention perimeter hardens. That is likely to be a defining feature of the 2026–2030 phase^{1,2}.

A seventeenth expected shift is toward real-time or near-real-time alert ecosystems that combine public updates, sectoral risk information, and operator-side response capacity. The OFSI annual review highlights the combined e-alert service and direct communications model, while the Next-Generation FIU.net points to faster public-sector information exchange and cross-matching. Read together, these developments suggest a future architecture in which sanctions compliance becomes less dependent on periodic static review and more dependent on faster alert circulation across both public and private networks. This would fit the operational reality of a regime confronting fast-moving payment systems, evolving shipping patterns, and rapid reconfiguration of intermediary structures. The compliance architecture of 2026–2030 is therefore likely to become more event-driven and less episodic. It will still rely on baseline controls, but it will increasingly depend on rapid signal propagation and response^{3,4}.

Table 7.4.2-1. Expected Evolution of Compliance Architecture, 2026–2030

Expected evolutionary vector	Institutional signals already visible	Likely operational consequence
More structured-data-dependent compliance	EBA common standards for governance, controls, and payment/crypto screening	Greater reliance on field-level data quality, standardisation, and system governance
More machine-readable and synchronised legal content	Consolidated lists, FAQs, guidance architecture, daily legal updates	Faster conversion of package changes into operational controls
Typology-based supervision	FATF typology and risk-indicator focus; sectoral threat assessments	Supervisory attention shifts from formal presence of controls to their relevance against actual evasion patterns
Stronger BO and network analytics	AML/CFT reform, AMLA role, sanctions-evasion focus	More graph-style analysis of ownership, control, and indirect nexus
Faster intelligence exchange	Next-Generation FIU.net and interoperability improvements	Better public-sector cross-matching and more usable financial intelligence
Sector-specific compliance ecosystems	OFSI targeted guidance and sector threat assessments; Helpdesk model	More differentiated compliance expectations by risk environment
Tighter trade–finance–logistics integration	CHPI due diligence, anti-circumvention focus, payment/crypto screening rules	More holistic transaction review across previously separated control domains
Stronger EU-level convergence	EBA guidelines, expert groups, best-practice updates, AMLA supervisory role	Reduced Member State divergence and more scalable cross-border compliance
More event-driven alert systems	E-alert models, rapid public updates, FIU information exchange	Shift from periodic review to responsive real-time or near-real-time compliance posture
Simpler interface with harder substantive expectations	Review focus on systemic efficiencies and burden reduction	Lower friction for legitimate operators alongside stronger anti-circumvention discipline

Authorship: prepared by the author on the basis of official EU institutional materials and UK official documents

Sources:

- European Commission. (2024, April 24). *Questions and Answers: Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT)*.
- European Commission. (2024, April 24). *Questions and Answers: The new EU Anti-Money Laundering Authority (AMLA)*.
- European Commission. (2025, February 4). *'Next-Generation' FIU.net*.

¹ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

² HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

³ Ibid.

⁴ European Commission. (2025, February 4). *'Next-Generation' FIU.net*.

- European Commission. (2025, June 11). *Sanctions implementation*.
- European Commission. (2025, October 23). *Making sanctions effective*.
- European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items*.
- European Commission. (n.d.). *Overview of sanctions and related resources*.
- European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.
- HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.
- HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.
- Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance*.
- Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

The main conclusion is therefore clear. The expected evolution of compliance architecture in 2026–2030 is toward a more integrated, data-rich, typology-sensitive, and continuously updated system. It is likely to rely more heavily on structured data, beneficial-ownership analytics, sector-specific threat intelligence, digital screening capability, cross-border supervisory convergence, and faster intelligence exchange between public and private actors. At the same time, the interface presented to operators is likely to become more support-oriented and more simplified where simplification does not weaken substance. The overall direction is therefore not bureaucratic inflation for its sake. It is the attempt to make a mature sanctions regime more adaptive without making it less governable. For the purposes of this report, the decisive point is that the compliance track is expected to evolve from a predominantly rule-translation layer into a more dynamic risk-governance layer. That evolution is already visible in the institutional sources examined above. The question for 2026–2030 is not whether the architecture will change, but whether that change will be coherent enough to preserve both pressure on Russia and manageability inside the coalition^{1,2,3,4}.

7.4.3. Risk Outlook: Fragmentation, Fatigue, and Adaptive Circumvention

The risk outlook for the sanctions' compliance track in 2026–2030 is best understood not as a question of whether the regime will survive formally, but whether it can continue to function coherently under cumulative strain. The main threats are unlikely to come from a sudden collapse of legal authority. They are more likely to arise through progressive administrative fragmentation, compliance fatigue across public and private actors, and increasingly adaptive circumvention ecosystems that learn from the system's routines. Official materials already point in this direction. The European Commission presents effective implementation as a continuing priority and highlights the need for expert groups, the Freeze and Seize Task Force, industry-facing meetings, and support for operators. The UK's 2025 cross-government review similarly frames the next-stage challenge in terms of improving compliance, information sharing, systemic efficiency, and burden reduction. Those institutional signals are significant because they imply that the central problem is no longer only package design. It is the resilience of the implementation layer. In forward-looking terms, the compliance track is therefore likely to be tested less by legal insufficiency than by operational wear, unevenness, and adaptation pressure. That is the core frame within which fragmentation, fatigue, and circumvention should be analysed^{5,6}.

¹ European Commission. (2025, October 23). *Making sanctions effective*.

² European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.

³ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁴ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁵ European Commission. (2025, October 23). *Making sanctions effective*.

⁶ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

A first major risk is persistent fragmentation across Member States. The Commission itself states that effective and diligent implementation of sanctions is primarily the responsibility of Member States, while the Commission supports them through coordination structures and stakeholder engagement. That allocation of responsibility is manageable only so long as implementation remains sufficiently convergent. Yet the European Parliament's 2023 study shows that EU sanctions enforcement operates through a highly decentralised architecture with more than 160 designated competent authorities and markedly different national systems. Even if this architecture becomes somewhat more co-ordinated over time, the basic risk remains: cross-border firms still face multiple national authorities, multiple administrative cultures, and multiple enforcement tempos inside one formally common regime. In the 2026–2030 period, any increase in package density, sectoral complexity, or licensing nuance will make this fragmentation risk more consequential rather than less. The more detailed the regime becomes, the more costly divergence becomes for both firms and authorities. Fragmentation therefore remains one of the most durable structural risks to compliance coherence^{1,2}.

A second fragmentation risk concerns supervisory divergence rather than administrative structure alone. The EBA's 2024 guidelines were presented precisely because, for the first time, common EU standards were needed on governance arrangements and on policies, procedures, and controls to ensure implementation of Union and national sanctions. The fact that this step was necessary is itself revealing. It implies that prior approaches remained too heterogeneous to support sufficiently consistent supervisory expectations. The likely 2026–2030 risk is that even with common standards on paper, actual supervisory practice may still diverge in the depth of review, the tolerance for deficiencies, the treatment of screening weaknesses, or the expectations around escalation and documentation. If that occurs, institutions operating across borders will still face fragmented compliance incentives, even under a more harmonised formal rulebook. The system will then preserve convergence in language while remaining uneven in enforcement reality. That kind of partial convergence is better than none, but it still leaves room for uncertainty, arbitrage, and uneven burden distribution^{3,4}.

A third risk is guidance overload. The compliance architecture has become progressively richer in FAQs, package explanations, best-practice notes, sector guidance, advisories, and support services. That development is broadly rational, but it also creates a forward-looking burden problem. The Commission's sanctions-resources page shows a layered ecosystem of consolidated lists, FAQs, sanctions maps, Helpdesk functions, and topic-specific guidance, while the Helpdesk article itself highlights that many SMEs need tailored support to understand what sanctions changes mean in practice. This points to a basic tension: the regime becomes more usable through guidance, but also more demanding to track, interpret, and integrate. In 2026–2030, the risk is that guidance volume itself becomes a source of fatigue, especially for firms without large in-house teams. If too many updates, clarifications, and sector notes accumulate without clearer hierarchy and prioritisation, operators may find it harder rather than easier to identify which changes matter operationally. Guidance can therefore be both a remedy for uncertainty and a generator of implementation overload^{5,6}.

A fourth risk is burden inflation across the private sector. The UK's 2025 cross-government review states that businesses want the cost of compliance to be proportionate to the size of the business and its sanctions exposure, and that businesses also want greater simplicity and clarity. The same review focuses on harnessing systemic efficiencies and minimising the administrative burden of compliance. These points matter because they show that burden accumulation is already recognised officially as a strategic problem. In a long-horizon regime, firms do not experience complexity only as a legal issue.

¹ European Commission. (2025, October 23). *Making sanctions effective*.

² European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

³ European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.

⁴ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁵ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁶ European Commission. (2025, June 11). *Sanctions implementation*.

They experience it as staffing cost, workflow redesign, screening load, outside-counsel expense, delayed revenues, and repeated internal escalation. The 2026–2030 risk is that these costs continue to rise faster than the capacity of firms—especially mid-sized and smaller firms—to absorb them. Where that happens, lawful risk management may gradually give way either to withdrawal from higher-friction activity or to perfunctory formal compliance. Burden inflation is therefore not only a business complaint. It is a direct risk to implementation quality^{1,2}.

A fifth risk is public-sector fatigue. The European Parliament’s study already documented that, in several Member States, competent authorities were operating with limited dedicated staffing and only modest proactive monitoring capacity relative to the scale of the sanctions challenge. There is little reason to assume that cumulative package growth, expanding anti-circumvention expectations, and criminalisation follow-up will reduce that strain by themselves. On the contrary, more rules, more reporting, and more cross-border co-ordination tend to increase the administrative load on authorities already expected to guide firms, process authorisations, handle breaches, and engage with counterparts across jurisdictions. The risk outlook here is one of institutional fatigue rather than sudden breakdown. Authorities may remain formally active while becoming increasingly selective, slower, or more dependent on triage. In such a setting, the enforcement system may continue to exist but become progressively less able to turn weak signals into timely action. Public-sector fatigue therefore threatens the depth of implementation even where formal commitment remains unchanged^{3,4}.

A sixth risk is weak feedback density between public and private actors. The compliance track increasingly depends on private institutions to identify suspicious patterns, yet the value of that detection depends on whether authorities can process, prioritise, and learn from what they receive. FATF’s 2025 report is especially useful here because it notes that private-sector entities reported limited public-sector feedback on relevant suspicious transaction reporting and other reporting, while also identifying broader information-sharing challenges linked to confidentiality concerns, inconsistent data formats, and delays in dissemination. This suggests a forward-looking risk in which private reporting continues to expand, but the informational return to the reporting entities remains too thin to improve future judgement. In such a model, firms may continue to report because the rules require it, but the learning function of reporting becomes weak. Over time, this can produce both fatigue and declining report quality. An architecture with insufficient feedback loops becomes noisier without necessarily becoming smarter^{5,6}.

A seventh risk is data strain. The expected evolution of the compliance architecture points clearly toward more structured-data-dependent control, but that very dependence creates vulnerability where data remain incomplete, inconsistent, or difficult to align. The EBA’s 2024 work on restrictive measures and its broader AML/CFT risk work both point toward increasing reliance on supervisory data, authority reporting, and structured information about customers, transfers, and controls. This means that data quality, field standardisation, and systems integration will become even more consequential than they already are. In 2026–2030, the risk is that the architecture becomes more sophisticated in principle than the underlying data environment can consistently support. If structured-data ambitions outrun data quality, compliance may generate more alerts, more documentation, and more apparent control, while still struggling with indirect nexus, ownership ambiguity, or cross-system reconciliation problems. The more the architecture relies on data, the more fragile it becomes where data remain uneven^{7,8}.

¹ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

² European Commission. (2025, June 11). *Sanctions implementation*.

³ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions*.

⁴ European Commission. (2025, October 23). *Making sanctions effective*.

⁵ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁶ European Commission. (2025, February 4). *‘Next-Generation’ FIU.net*.

⁷ European Banking Authority. (2024, November 14). *Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures*.

⁸ European Banking Authority. (2025, July 28). *Opinion and Report on money laundering and terrorist financing risks affecting the EU’s financial sector*.

An eighth risk is screening fatigue inside financial and payment institutions. The more the regime depends on structured screening, event-driven updates, and broad party coverage, the more firms face the operational challenge of managing alert volumes without degrading decision quality. The EBA's sanctions guidelines were designed partly to address such weaknesses, but their very specificity reveals how serious the problem has become. In the next phase, the risk is that firms continue to widen screening scope—across customers, transfers, beneficial owners, crypto-assets, and transaction data—while internal review capacity grows more slowly. This can produce exactly the alert-fatigue dynamic already visible in other parts of the compliance literature: too many low-value signals weaken attention to the higher-value ones. In a mature sanctions' regime, fatigue will often manifest not as abandonment of screening but as a fall in marginal review quality. The system still moves, but it becomes less discriminating^{1,2}.

A ninth risk is compliance fatigue in sectors newly drawn into sanctions implementation. The OFSI collection of sector-specific threat assessments is revealing because it spans financial services, legal services, property, art-market participants and high-value goods, and cryptoassets. That breadth shows that sanctions compliance is no longer concentrated only in banks, export-control teams, and classic trade intermediaries. More sectors are being drawn into the orbit of sanctions risk because more sectors are now recognised as possible facilitators or weak links. The forward-looking risk is that the compliance culture necessary to absorb these responsibilities will remain uneven. Some sectors may still lack mature internal controls, staff training, or escalation pathways. Others may simply be less used to operating inside a high-pressure sanctions' environment. Fatigue in this context is not only about volume of work. It is about adaptation costs in sectors that were not historically organised around sanctions as a core operational field^{3,4}.

A tenth risk is implementation fatigue caused by repeated legal and operational change. The EU package communications of 2025 show continued expansion and updating across vessel listings, financial restrictions, anti-circumvention measures, and sectoral prohibitions. The sanctions-resources page also displays repeated FAQ and guidance updates across 2025 and 2026. This indicates a regime that remains highly active and responsive, but it also creates a forward-looking challenge: every update requires internal communication, list refreshes, system adjustment, staff clarification, and sometimes contract or workflow revision. In an extended sanctions environment, the risk is not simply that updates stop coming. It is that the accumulation of updates becomes normalised in a way that erodes organisational attention. Once change becomes constant, institutions may find it harder to distinguish high-impact changes from lower-impact ones. Update cycles can then become less effective even if they remain frequent. Compliance fatigue, in this sense, is partly a problem of adaptation tempo^{5,6,7,8}.

An eleventh risk is that adaptive circumvention will continue to exploit intermediary jurisdictions and regulatory asymmetries. FATF's 2025 report is explicit that sanctions-evasion schemes exploit jurisdictional differences, uneven implementation, weak transparency regimes, and emerging technologies. This is highly relevant to the 2026–2030 outlook because those enabling conditions are not likely to disappear quickly. Even if the EU strengthens internal convergence, evasive actors can still seek out jurisdictions or service ecosystems where ownership is opaquer, information-sharing is slower, or supervisory attention is thinner. The risk therefore lies not only in the existence of third-country channels, but in the persistence of uneven global governance conditions that make those channels useful. Adaptive circumvention will remain attractive wherever the coalition's internal hardening outpaces

¹ European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.

² HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

³ Ibid.

⁴ Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance*.

⁵ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

⁶ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁷ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁸ European Commission. (n.d.). *Overview of sanctions and related resources*.

external co-operation. In practical terms, this means the compliance track will continue to face a moving frontier of indirect exposure rather than a stable boundary of risk^{1,2}.

A twelfth risk is the continuing professionalisation of enabler and intermediary ecosystems. FATF's 2025 report treats complex evasion as an area requiring up-to-date understanding of typologies and vulnerabilities, and OFSI's threat-assessment model itself reflects a growing assumption that different sectors are being used in differentiated ways by those seeking to evade sanctions. The future risk here is not simply more circumvention, but better-camouflaged circumvention distributed across legal, financial, trade, property, and digital channels. As compliance controls become more standardised, evasive actors are likely to become more selective in their use of softer nodes, less visible facilitators, and cross-sector combinations that make the true economic objective harder to reconstruct. The more mature the compliance architecture becomes, the more valuable intermediary innovation becomes to the evasive side. This means that adaptation pressure is likely to remain endogenous to the system rather than episodic^{3,4}.

A thirteenth risk is the persistence of maritime adaptation. The 2025 package communications already show that the EU continued expanding vessel listings and tightening shadow-fleet-related pressure, which indicates that maritime circumvention had not been neutralised by earlier measures. The fact that the 17th package alone added 189 additional vessels and brought the total to 342 demonstrates that vessel-based adaptation remained dynamic enough to require repeated response. For the 2026–2030 outlook, this implies that maritime risk will likely remain evolutionary rather than static. Vessel ownership, flagging, routing, service ecosystems, and ship-to-ship practices can all be modified more quickly than the regulatory and listing process can fully stabilise them. The risk is therefore not only that shadow-fleet structures persist, but that they continue to mutate in ways that demand repeated public and private adjustment. Maritime circumvention should thus be treated as a continuing adaptation theatre rather than a mostly solved subfield^{5,6}.

A fourteenth risk is digital acceleration of evasion methods. FATF's December 2025 Horizon Scan on AI and Deepfakes is relevant here because it presents a forward-looking perspective on AI-related risks and vulnerabilities in the AML/CFT/CPF space and frames the study as part of FATF's staged approach to emerging technologies. Even though the horizon scan is broader than sanctions alone, it signals an institutional recognition that emerging technologies may change the speed, scale, and sophistication of illicit adaptation. In the sanctions' context, the implication is not that AI has already transformed all circumvention. It is that the enabling environment for more professionalised deception, synthetic identity support, automated research into weak-jurisdiction strategies, or faster documentation manipulation may become more permissive. For 2026–2030, the risk outlook should therefore include not only current circumvention typologies, but the possibility that technological tools will lower the cost of evasive experimentation. Adaptive circumvention may become not only more distributed, but more iterative and faster to redesign^{7,8}.

A fifteenth risk is regulatory arbitrage between sectors rather than only between jurisdictions. The OFSI threat-assessment collection shows that the UK is already treating legal services, property, art-market participants and high-value goods, cryptoassets, and financial services as distinct sanctions-risk sectors. That institutional choice implies recognition that sanctions pressure can be displaced laterally across the economy when one channel hardens more quickly than another. The likely 2026–2030 risk is therefore not just re-routing via another country, but re-routing via another professional or service domain. If trade compliance hardens, value may move through alternative payment structures. If banks

¹ European Commission. (2025, October 23). *Making sanctions effective*.

² Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

³ Ibid.

⁴ Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance*.

⁵ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

⁶ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁷ Financial Action Task Force. (2025, December 22). *Horizon Scan AI and Deepfakes*.

⁸ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

become more cautious, asset holding may move into property, luxury goods, or service arrangements that are harder to standardise. If traditional intermediaries become more visible, new facilitators may emerge in sectors only recently brought under stronger compliance expectations. The architecture will therefore face cross-sector displacement pressure as well as cross-border displacement pressure^{1,2}.

A sixteenth risk is that interoperability gains may still be too slow relative to evasion speed. The Next-Generation FIU.net is a significant improvement because it offers quicker and more efficient exchange and cross-matching of information, improved handling of large datasets, and better interoperability with FIUs' systems. AMLA is also expected to manage and further develop FIU.net and to play a role in sanctions-related compliance by the riskiest cross-border groups in the financial sector. These are important institutional advances. Yet they also reveal that the system is still in transition. FIU.net only went live in February 2025, AMLA's full sanctions-related supervisory role will mature over time, and operational learning in these new structures will continue into the next phase. The forward-looking risk is therefore not that no progress exists, but that integration gains may arrive more slowly than the adaptation cycle of sanctions-evasion networks. Architectural improvement remains necessary, but it may not immediately neutralise the asymmetry between institutional reform and private innovation^{3,4}.

A seventeenth risk is that simplification efforts may lag behind complexity growth. The UK review's recommendation to move to a single sanctions list was explicitly tied to industry feedback that a single list would remove duplication of effort and simplify checks. The UK did in fact move to a single list on 28 January 2026, which shows that policymakers recognised interface complexity as a real compliance issue. The broader lesson for the EU outlook is that simplification cannot be treated as a one-off interface improvement. As sanctions regimes proliferate, package structures evolve, and new sectoral tools are added, duplication and layered complexity can re-emerge unless interface design is continually revisited. The risk for 2026–2030 is therefore that the architecture becomes substantively stronger but operationally heavier faster than simplification reforms can compensate. If that occurs, fatigue and fragmentation will reinforce one another rather than offset one another^{5,6}.

An eighteenth, and final, risk is cumulative interaction. Fragmentation, fatigue, and adaptive circumvention should not be treated as separate threat families. They are likely to intensify one another. Fragmentation raises compliance costs and weakens clarity. Higher costs and weaker clarity increase fatigue in both public and private institutions. Fatigue, in turn, creates more exploitable seams for adaptive circumvention. Adaptive circumvention then forces further package updates, guidance revisions, and sector-specific controls, which can deepen the very overload that produced fatigue in the first place. This circular dynamic is the central risk logic of the next phase. The compliance track can remain formally intact while still losing sharpness through iterative strain. The strategic challenge for 2026–2030 will therefore be to break this cycle by improving coherence, reducing avoidable burden, preserving rapid learning, and keeping the anti-circumvention perimeter adaptable without letting the interface become unmanageable^{7,8,9}.

¹ Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance*.

² HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

³ European Commission. (2025, February 4). *'Next-Generation' FIU.net*.

⁴ European Commission. (2024, April 24). *Questions and Answers: The new EU Anti-Money Laundering Authority (AMLA)*.

⁵ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁶ Office of Financial Sanctions Implementation. (2026, January 28). *Moving to a single list for UK sanctions designations*.

⁷ European Commission. (2025, October 23). *Making sanctions effective*.

⁸ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁹ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

Table 7.4.3-1. Principal Compliance Risks for 2026–2030

Risk vector	Core mechanism	Main actors affected	Strategic consequence if unmanaged
Member State fragmentation	Divergent implementation structures, priorities, and interpretation channels	NCA, cross-border firms, supervisors	Uneven enforcement and higher arbitrage opportunities
Guidance overload	Rising volume of FAQs, updates, sector notes, and package communications	SMEs, mid-sized firms, less specialised sectors	Higher implementation error, slower uptake, defensive withdrawal
Private-sector fatigue	Accumulated screening, reporting, training, and escalation burdens	Banks, exporters, insurers, intermediaries, service providers	Declining review quality and more over-compliance or formalism
Public-sector fatigue	Limited staffing, reactive monitoring, stretched investigative capacity	NCA, customs, FIUs, prosecutors, supervisors	Slower follow-up and weaker proactive detection
Weak feedback density	Reporting without sufficiently useful authority-side learning loops	Firms, regulators, FIUs, enforcement bodies	Lower future signal quality and more reporting noise
Data strain	Structured-data ambitions outrunning data quality and interoperability	Financial institutions, supervisors, enforcement bodies	More false positives, hidden nexus, and system friction
Intermediary-jurisdiction circumvention	Exploiting uneven transparency and enforcement outside the coalition	Exporters, banks, customs, trade-finance actors	Re-routing of risk beyond the strongest internal controls
Sectoral displacement	Moving activity toward less mature compliance sectors	Property, legal services, crypto, art/HVG, logistics	New weak nodes emerge even as older ones harden
Maritime adaptation	Continued mutation of shadow-fleet ownership, routing, and service structures	Shipping, insurers, financiers, maritime authorities	Persistent price-cap and transport-evasion pressure
Technology-assisted evasion	Lower-cost experimentation with digital deception and operational redesign	Compliance teams, FIUs, digital-service providers	Faster evasive iteration relative to institutional adaptation
Simplification lag	Interface reforms failing to keep pace with regulatory complexity	All operators, especially smaller firms	Coalition-side legitimacy and usability deteriorate

Authorship: prepared by the author on the basis of official EU institutional materials and UK official documents

Sources:

- European Commission. (2024, April 24). *Questions and Answers: The new EU Anti-Money Laundering Authority (AMLA)*.
- European Commission. (2025, February 4). *'Next-Generation' FIU.net*; European Commission. (2025, June 11). *Sanctions implementation*.
- European Commission. (2025, October 23). *Making sanctions effective*.
- European Commission. (n.d.). *Overview of sanctions and related resources*.
- European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.
- European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.
- Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.
- Financial Action Task Force. (2025, December 22). *Horizon Scan AI and Deepfakes*.
- HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.
- Office of Financial Sanctions Implementation. (2025, June 6). *Threat assessments to support sanctions compliance*.
- Office of Financial Sanctions Implementation. (2026, January 28). *Moving to a single list for UK sanctions designations*.

The main conclusion is therefore straightforward. The compliance-risk outlook for 2026–2030 is not dominated by one single threat. It is dominated by a cluster of mutually reinforcing pressures: fragmentation across authorities and sectors, fatigue generated by cumulative burden and constant adaptation, and circumvention strategies that continue to learn from the system’s routines. The compliance architecture is already evolving in response, and that evolution is significant. But the risk landscape will remain demanding precisely because institutional hardening and private adaptation are moving in parallel. For the purposes of this report, the decisive analytical point is that long-term effectiveness will depend less on adding ever more formal obligations than on preserving coherence, reducing avoidable overload, and ensuring that adaptive circumvention remains more costly than lawful compliance. That is the threshold the compliance track will need to hold through 2030 if it is to remain a credible component of the wider sanctions’ regime^{1,2,3}.

7.4.4. 2026–2030 Effectiveness Outlook and Adjustment Triggers

The 2026–2030 effectiveness outlook for the sanctions compliance track should be assessed less by the sheer number of packages adopted and more by whether the system can continue to convert legal pressure into durable operational restraint. At this stage, the EU sanctions regime against Russia is already broad enough that its future effectiveness will depend primarily on implementation quality, not on formal breadth alone. The Commission’s framing supports that conclusion: it states that effective and diligent implementation is key to ensuring sanctions objectives are met and describes an implementation architecture built around expert groups, the Freeze and Seize Task Force, high-level coordination with Member States and industry, and anti-circumvention work with third countries. The UK’s 2025 cross-government review expresses the same logic from a partner-jurisdiction perspective by focusing on compliance, deterrence, information sharing, and burden reduction rather than on legal proliferation alone. The most realistic outlook, therefore, is conditional. The compliance track can remain effective through 2030, but only if certain enabling functions are maintained and if the system reacts quickly when observable stress indicators show that those functions are weakening. In that sense, the question is not whether the regime will formally continue. It is whether it will remain operationally sharp enough to make circumvention more difficult than compliance over time^{4,5}.

The first condition of long-term effectiveness is clearer drafting and clearer operational translation of that drafting. A cumulative sanctions regime can only remain effective if firms and authorities know where the legally relevant line lies, what is prohibited, what is licensable, and what specific control is expected in the case at hand. The UK review is especially instructive because it identifies clearer and more accessible guidance, a single sanctions list, and further clarity on ownership and control as concrete reforms needed to support effective compliance. The fact that these issues were highlighted officially shows that legal ambiguity is not a theoretical inconvenience but an implementation risk. In the EU context, the Commission’s consolidated FAQ architecture performs the same function, supplying practical interpretative support precisely because regulations alone are not enough for uniform use. For 2026–2030, clearer drafting should therefore be treated as an effectiveness condition rather than as a stylistic improvement. A sanctions regime that remains legally forceful but operationally obscure will generate more over-compliance, more under-compliance, and greater enforcement inconsistency. That combination erodes effectiveness even if the formal rulebook remains intact^{6,7}.

The second condition is speed of operational updating. The sanctions regime has already entered a phase in which package changes, new anti-circumvention tools, vessel listings, and new service

¹ European Commission. (2025, October 23). *Making sanctions effective*.

² HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

³ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁴ European Commission. (2025, October 23). *Making sanctions effective*.

⁵ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁶ Ibid.

⁷ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia’s military aggression against Ukraine and Belarus’ involvement in it*.

restrictions can alter risk conditions faster than many firms can naturally adapt. The Commission’s 19th package communication is especially telling because it couples new financial restrictions, crypto-related measures, new transaction bans, service bans, and 117 additional vessel listings, taking the EU shadow-fleet list to 557 vessels. This is not only a substantive escalation. It is also an operational challenge to the compliance track, which must update lists, workflows, screening logic, stakeholder communication, and escalation criteria quickly enough to prevent lag from becoming exploitable space. The likely effectiveness outlook is positive only if the compliance system continues to absorb change at near-regulatory speed. Where update cycles slow, circumvention gains time and legitimate operators lose confidence. A durable sanctions regime must therefore preserve not just legislative agility, but implementation agility^{1,2}.

The third condition is stronger feedback loops between public authorities and private operators. Modern sanctions compliance depends heavily on private detection, but private detection only improves over time if it is connected to some meaningful degree of public response and learning. The UK review explicitly recommends making reporting easier, improving information sharing, and increasing collaboration with industry, while also recording strong stakeholder demand for earlier and more useful information exchange, especially with key financial institutions. The Commission’s Helpdesk model and its stakeholder meetings serve a similar function at Union level. The deeper point is that effectiveness in 2026–2030 will require the compliance architecture to behave more like a learning system than a one-way command system. When firms receive clearer signals about what types of alerts, patterns, or control failures matter most, their future detection becomes better targeted. Where that feedback remains weak, reporting quality deteriorates and fatigue increases. Faster feedback loops are therefore not a procedural luxury. They are a condition of adaptive effectiveness^{3,4}.

The fourth condition is stronger enforcement convergence across Member States and across the compliance–enforcement boundary. The Commission’s “making sanctions effective” page states that, since the new rules entered into force in May 2024, the EU has easier tools to investigate, prosecute, and punish violations across Member States. Yet later Commission actions show that transposition and convergence are still incomplete. In July 2025, the Commission opened infringement procedures against numerous Member States for incomplete transposition of the directive, and in March 2026 it was still tracking compliance with those obligations. This illustrates a key point for the outlook: effectiveness does not depend only on stronger rules, but on whether those rules are brought into national systems quickly and used coherently. If enforcement convergence strengthens, the compliance track becomes more credible and more predictable. If it weakens, or remains too slow, the private sector will continue to face uneven incentive structures and adaptive actors will continue to exploit the weakest national link. The 2026–2030 outlook is therefore favourable only if criminalisation and administrative convergence move from formal adoption toward genuinely aligned operational practice^{5,6,7}.

The fifth condition is better data-sharing and more integrated financial-intelligence support. The “Next-Generation” FIU.net, which went live on 3 February 2025, provides a much stronger basis for faster exchange, cross-matching, cross-border reporting, and more effective handling of larger datasets by FIUs and Europol. The same official material states that AMLA will assume management, maintenance, and development of FIU.net by 10 July 2027. These are not only technical improvements. They are direct effectiveness conditions because many Russia-related sanctions cases now depend on linking partial financial signals across borders and institutions. If data-sharing improves, detection of indirect nexus, payment rerouting, and cross-border structuring should become more effective. If it remains too slow or too fragmented, sophisticated circumvention will continue to outpace formal restrictions. For 2026–

¹ European Commission. (2025, October 23). *EU adopts new sanctions against Russia*.

² European Commission. (2025, October 23). *Making sanctions effective*.

³ European Commission. (2025, June 11). *Sanctions implementation*.

⁴ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁵ European Commission. (2025, October 23). *Making sanctions effective*.

⁶ European Commission. (2025, July 23). *Commission takes action to ensure complete and timely transposition of directives*.

⁷ European Commission. (2026, March 20). *March infringements package: key decisions*.

2030, then, data-sharing is not an ancillary optimisation. It is one of the main conditions under which the compliance architecture can remain genuinely cross-border rather than merely nationally compartmentalised^{1,2}.

A sixth condition is stronger supervisory convergence in high-risk cross-border finance. The Commission's AMLA Q&A states that AMLA, as direct supervisor, will check compliance with sanctions-related measures by the riskiest cross-border groups in the financial sector, contribute to a common supervisory approach, and provide critical input to the understanding and mitigation of risks of sanctions evasion or non-implementation at Union level. This is one of the clearest signs of where the system is heading and what long-term effectiveness will require. The sanctions compliance track has become too central to financial integrity and cross-border risk management to remain governed entirely through disparate national supervisory cultures. If AMLA succeeds in producing a more common supervisory approach, then the compliance track should become more predictable, more scalable for cross-border groups, and more resistant to arbitrage. If that supervisory role remains partial or delayed, the fragmentation risk analysed in Section 7.4.3 will remain high. The effectiveness outlook is therefore tied closely to whether supervisory convergence becomes real in practice and not just formal in mandate^{3,4}.

A seventh condition is the preservation of narrowly targeted safe operating space for lawful conduct. This point should be stated carefully. A durable sanctions regime does not need broad exemptions that hollow out the regime. However, by inference from the official materials, it does need narrower and more explicit "safe operating assumptions" in areas where ambiguity would otherwise produce defensive over-withdrawal. The UK's February 2026 call for evidence on the ownership-and-control test acknowledges that industry finds control difficult to assess in practice and that this difficulty creates costs and legal risk. The UK review likewise highlights the need for more clarity on ownership and control. In the EU context, the payment-services FAQ preserves differentiated legality across payment functions rather than endorsing blanket service denial. From these sources, it is reasonable to infer that targeted safe harbours—or, more precisely, clearer bounded zones of low-dispute lawful conduct—will be important to preserving effectiveness. Without them, over-compliance will continue to absorb capacity, damage lawful channels, and blur targeting discipline. Targeted safe harbours in this sense are not concessions. They are tools for keeping enforcement effort focused on higher-value risk^{5,6,7}.

An eighth condition is sustained anti-circumvention prioritisation. The Commission's implementation page is explicit that the EU monitors redirection of trade flows from third countries acting as possible gateways to Russia, gathers information on circumvention patterns from the private sector, and uses measures such as transit bans, "No Russia" clauses, and high-risk-good tools to address circumvention. It also highlights an 18th-package catch-all tool to support Member States in stopping and investigating suspicious shipments of advanced technology items. This matters because the future effectiveness of the compliance track will depend less on total coverage than on whether it continues to identify and press hardest against the channels that matter most: shadow-fleet vessels, high-priority goods, risky payment infrastructures, and enabling third-country nodes. A future compliance architecture that becomes less prioritised would likely become more bureaucratic but less strategically effective. The 2026–2030 outlook is favourable only if prioritisation remains sharp and linked to actual circumvention patterns rather than diluted by procedural sprawl^{8,9}.

¹ European Commission. (2025, February 4). 'Next-Generation' FIU.net.

² European Commission. (2024, April 24). *Questions and Answers: The new EU Anti-Money Laundering Authority (AMLA)*.

³ Ibid.

⁴ European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.

⁵ HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.

⁶ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁷ European Commission. (2026, March 13). *Frequently asked questions on the provision of payment services concerning sanctions adopted following Russia's military aggression against Ukraine*.

⁸ European Commission. (2025, October 23). *Making sanctions effective*.

⁹ European Commission. (2025, October 23). *EU adopts new sanctions against Russia*.

A ninth condition is manageable compliance burden for the coalition's private sector. The UK review is particularly explicit that compliance costs should be proportionate to firm size and sanctions exposure, while also arguing for clearer guidance, targeted outreach, simplified reporting channels, and a single sanctions list. The UK then implemented one of those recommendations by moving to a single sanctions list on 28 January 2026, explicitly stating that this change responded to industry feedback that a single list would remove duplication of effort and simplify screening. This does not prove that the EU should mechanically adopt the same model, but it does illustrate the broader effectiveness condition: simplification at the interface layer can strengthen rather than weaken substantive sanctions pressure. If the EU compliance track preserves burden manageability, then operator capacity remains broader and more durable. If it does not, implementation will gradually become more concentrated in the largest and best-resourced institutions, while smaller operators retreat. Over time, that narrows the coalition's operational base^{1,2}.

The effectiveness outlook is therefore positive but conditional: the compliance track can remain materially effective through 2030 if it becomes clearer, faster, better connected, more convergent, and more disciplined in distinguishing high-value circumvention risk from ordinary lawful friction. It becomes materially less positive if those conditions are only partially met. In that case, the likely result is not formal collapse, but a slower erosion of precision through fatigue, fragmentation, and the spread of private defensive withdrawal. In analytical terms, the real question is not whether the sanctions regime survives. It is whether the compliance architecture remains sharp enough to preserve deterrence and disruption while the system itself ages. That is why effectiveness must be monitored through observable adjustment triggers rather than inferred from package counts alone^{3,4}.

The first major adjustment trigger should be interpretative strain. When authorities find themselves repeatedly issuing clarifications on the same concepts, or when consultations are opened specifically because industry struggles to apply a core test, that is a signal that the drafting–guidance interface has become too uncertain to support efficient implementation. The February 2026 UK call for evidence on ownership and control is precisely such a signal. So too was the UK review's identification of ownership and control as an area needing further clarity. In analytical terms, repeated ambiguity around the same concepts should trigger recalibration before the uncertainty hardens into market over-withdrawal or inconsistent enforcement. That recalibration could take the form of clearer drafting, revised official examples, structured interpretative guidance, or more explicit decision criteria. The key point is that interpretative stress should itself be treated as an operational metric. When one concept begins to consume disproportionate compliance resources, it is no longer just a legal issue. It has become an effectiveness issue^{5,6}.

The second trigger should be implementation lag between legal change and operational uptake. Repeated need for emergency clarifications, growing dependence on ad hoc explanations, or observable delays in transposition and rollout are all signs that the system's update cycle is under strain. The infringement procedures opened in July 2025 and the Commission's continued follow-up in March 2026 over incomplete transposition of the criminalisation directive are concrete examples of such lag at the Member State level. In a mature sanctions' regime, these delays matter because they create windows in which enforcement remains less coherent than the formal legal framework suggests. By inference, repeated delays in domestic implementation, guidance revision, or screening adaptation should trigger a review of update mechanisms and not merely another incremental legal fix. Adjustment in such cases

¹ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

² Foreign, Commonwealth & Development Office, HM Treasury, & Office of Financial Sanctions Implementation. (2025, October 13; updated January 28, 2026). *Moving to a single list for UK sanctions designations, 28 January 2026*.

³ European Commission. (2025, October 23). *Making sanctions effective*.

⁴ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁵ HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.

⁶ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

should prioritise synchronisation, implementation timetables, and rapid translation of legal change into operational practice^{1,2,3}.

The third trigger should be information-flow congestion. The Commission's FIU.net reform shows that faster exchange and cross-matching of information, including large datasets, was already considered necessary in early 2025. FATF's 2025 sanctions-evasion report likewise identifies information-sharing frictions, confidentiality constraints, inconsistent formats, and lack of public-sector feedback as significant barriers. These official signals imply that when reporting volumes rise, but usable intelligence and feedback do not rise proportionately, the system has entered a congestion zone. In practical terms, signs of that zone include repetitive low-value reporting, weak authority response times, and limited improvement in sectoral detection quality over time. By inference, such congestion should trigger procedural simplification, better triage, clearer reporting channels, and stronger feedback to the private sector rather than merely exhortations to report more. A sanctions regime does not become more effective simply by generating more data. It becomes more effective when data become more actionable^{4,5,6}.

The fourth trigger should be persistent divergence in enforcement or supervisory treatment across jurisdictions. The EBA's common standards and AMLA's future sanctions-related supervisory role both exist because the system recognises that a highly cross-border financial sector cannot operate effectively under radically divergent national compliance expectations. By inference, when comparable institutions or comparable cases continue to produce materially different supervisory outcomes, or when firms must build different control assumptions for broadly similar risks within the same Union market, that divergence should trigger further convergence action. That action might take the form of new EBA or AMLA guidance, more detailed supervisory benchmarks, stronger peer review, or more structured exchanges among national authorities. The key principle is that persistent divergence should be treated as an adjustment signal in its right, not merely as an unfortunate but tolerable by-product of decentralisation. Left untreated, it gradually creates arbitrage, inconsistency, and declining deterrent credibility^{7,8,9}.

The fifth trigger should be growth of defensive over-compliance. This is partly an inference from the official sources, but a well-grounded one. The UK review, the ownership-and-control consultation, and the Commission's narrow clarifications on lawful payment services all point to the same underlying risk: when institutions cannot easily distinguish unlawful exposure from merely difficult exposure, they begin to substitute broad withdrawal for risk-based control. Such behaviour is not always visible in headline sanctions data, yet it can progressively damage the lawful channels the regime intends to preserve. Signs of this trigger would include repeated category-level service withdrawals, growing demand for clarifications in areas already legally addressed, or evidence that firms are declining lawful business primarily because interpretative risk is too costly to manage. Where those patterns become persistent, targeted safe harbours, clearer bounded examples, or refined derogation and guidance mechanisms should be considered as corrective tools. The goal would not be relaxation, but a restoration of precision^{10,11,12}.

¹ European Commission. (2025, July 23). *Commission takes action to ensure complete and timely transposition of directives*.

² European Commission. (2026, March 20). *March infringements package: key decisions*.

³ European Commission. (2025, October 23). *Making sanctions effective*.

⁴ European Commission. (2025, February 4). *'Next-Generation' FIU.net*.

⁵ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

⁶ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁷ European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.

⁸ European Commission. (2024, April 24). *Questions and Answers: The new EU Anti-Money Laundering Authority (AMLA)*.

⁹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

¹⁰ HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.

¹¹ European Commission. (2026, March 13). *Frequently asked questions on the provision of payment services concerning sanctions adopted following Russia's military aggression against Ukraine*.

¹² HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

The sixth trigger should be repeated emergence of new circumvention infrastructures. The 19th package is especially important here because it did not merely add more names. It moved decisively into new payment-system restrictions, sanctions on the developer and issuer of a rouble-backed stablecoin, sanctions on an offshore crypto exchange, transaction bans on third-country banks, additional service restrictions, and a much larger shadow-fleet list. This demonstrates that by late 2025 the circumvention ecosystem was already evolving into new financial and offshore configurations. The obvious implication for 2026–2030 is that each major emergence of a new operational circumvention channel should trigger targeted recalibration before that channel becomes institutionalised. New channels need not be dominant before they become strategically relevant. Where they are clearly being used to preserve access to payments, energy revenues, or sensitive goods, waiting for them to scale may be more costly than early targeted adjustment. In this area, repeated pattern emergence is itself the trigger^{1,2}.

The seventh trigger should be periodic signs that simplification has fallen behind complexity. The UK review's call for clearer guidance, a single list, and simpler reporting channels, followed by the actual January 2026 move to a single list, shows that simplification can be treated as a deliberate policy response rather than as an afterthought. By inference, the EU compliance track should likewise treat repeated user-facing complexity problems as an adjustment trigger. Where firms, especially SMEs or less specialised sectors, increasingly need support simply to find the right rule or understand which channel applies, the interface layer has become too heavy. Adjustment in such cases should focus on simplification of access, hierarchy, and routing, not on weakening substance. The purpose would be to preserve the system's hardness toward the target by reducing avoidable hardness toward its implementers^{3,4,5}.

The eighth trigger should be sustained evidence that the public side of the architecture is not keeping pace with the private side's compliance burden. The Commission and partner authorities have already responded to this risk through task forces, Helpdesks, threat assessments, and enforcement strategies. But if public institutions continue to require more structured controls, more reporting, and more sector-specific vigilance without a parallel increase in convergence, support, and timely decision-making, then the compliance track will gradually become more formalistic and less effective. The appropriate response in such circumstances would be not merely to urge better private compliance, but to reinforce public capacity, streamline public interfaces, and prioritise the points at which authority-side bottlenecks are degrading overall system performance. In a long-duration sanctions regime, public-capacity strain is itself an adjustment trigger because the private sector cannot indefinitely compensate for a slow or overloaded state layer^{6,7,8}.

Table 7.4.4-1. 2026–2030 Effectiveness Conditions and Adjustment Triggers in the Compliance Track

Strategic area	Effectiveness condition	Observable adjustment trigger	Priority response
Legal-operational clarity	Clearer drafting and usable interpretative architecture	Repeated ambiguity around the same concepts, recurrent consultations, rising guidance demand on settled issues	Clarify drafting, revise FAQs, provide bounded examples, refine official interpretative criteria

¹ European Commission. (2025, October 23). *EU adopts new sanctions against Russia*.

² European Commission. (2025, October 23). *Making sanctions effective*.

³ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁴ Foreign, Commonwealth & Development Office, HM Treasury, & Office of Financial Sanctions Implementation. (2025, October 13; updated January 28, 2026). *Moving to a single list for UK sanctions designations, 28 January 2026*.

⁵ European Commission. (2025, June 11). *Sanctions implementation*.

⁶ European Commission. (2025, October 23). *Making sanctions effective*.

⁷ HM Treasury, Office of Financial Sanctions Implementation. (2025, October 15). *OFSI Annual Review 2024 to 2025: Effective Sanctions*.

⁸ Foreign, Commonwealth & Development Office, Department for Transport, HM Revenue & Customs, National Crime Agency, Office of Financial Sanctions Implementation, Office of Trade Sanctions Implementation, & Stephen Doughty MP. (2026, March 10). *Sanctions enforcement: cross-government approach, March 2026*.

Strategic area	Effectiveness condition	Observable adjustment trigger	Priority response
Update discipline	Fast translation of package changes into lists, guidance, and workflows	Implementation lag, delayed transposition, slow screening adaptation, repeated emergency clarifications	Tighten update cascades, align implementation timetables, accelerate legal-to-operational rollout
Public-private learning	Faster feedback loops and more useful reporting ecosystem	High reporting volume with weak feedback, low learning value, repeated low-grade alerts	Improve triage, simplify reporting, create better authority-side feedback mechanisms
Supervisory and enforcement coherence	Stronger convergence across Member States and sectors	Persistent divergence in supervisory outcomes or enforcement handling	Issue common standards, deepen peer review, reinforce AMLA/EBA/NCA coordination
Proportionality and lawful usability	Targeted safe operating space for lawful activity	Category-level withdrawal from lawful business, repeated over-compliance patterns	Introduce narrow safe harbours, clearer bounded permissions, better ownership/control usability
Anti-circumvention responsiveness	Rapid reaction to new evasive channels	Repeated emergence of new payment, crypto, maritime, or third-country circumvention structures	Targeted recalibration, fresh listings, new transaction bans, updated sector guidance
Interface manageability	Simpler access to the rules without weakening substance	Rising operator confusion, duplicative list use, support overload, SME dependence on ad hoc help	Simplify list architecture, guidance hierarchy, alerts, and reporting entry points
Public-side capacity	State institutions able to process, guide, and enforce at sufficient speed	Slow authorisations, overloaded NCAs/FIUs/supervisors, weak follow-up consistency	Increase capacity, prioritise high-value nodes, streamline authority workflows

Authorship: prepared by the author on the basis of official EU institutional materials and UK official documents

Sources:

- European Commission. (2025, October 23). *Making sanctions effective*.
- European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.
- European Commission. (2026, March 13). *Frequently asked questions on the provision of payment services concerning sanctions adopted following Russia's military aggression against Ukraine*.
- European Commission. (2025, February 4). *'Next-Generation' FIU.net*.
- European Commission. (2024, April 24). *Questions and Answers: The new EU Anti-Money Laundering Authority (AMLA)*.
- European Commission. (2025, October 23). *EU adopts new sanctions against Russia*.
- European Banking Authority. (2024, November 14). *The EBA issues final guidance on internal policies, procedures and controls to ensure the implementation of Union and national sanctions*.
- European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.
- Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.
- HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.
- HM Government. (2026, February 16). *Ownership and Control Test in UK Financial Sanctions Regulations*.
- Foreign, Commonwealth & Development Office, HM Treasury, & Office of Financial Sanctions Implementation. (2025, October 13; updated January 28, 2026). *Moving to a single list for UK sanctions designations, 28 January 2026*.
- Foreign, Commonwealth & Development Office, Department for Transport, HM Revenue & Customs, National Crime Agency, Office of Financial Sanctions Implementation, Office of Trade Sanctions Implementation, & Stephen Doughty MP. (2026, March 10). *Sanctions enforcement: cross-government approach, March 2026*.

The overall conclusion for 2026–2030 is therefore measured but definite. The compliance track can remain an effective component of the sanctions regime if it continues to preserve operational clarity, update speed, data-sharing capability, enforcement convergence, manageable burden, and high-priority anti-circumvention responsiveness. Its effectiveness should not be judged by regulatory

accumulation alone, but by whether it keeps the cost of lawful compliance lower than the expected cost of evasive adaptation. The most important adjustment triggers are already visible in the institutional sources: ownership-and-control uncertainty, transposition lag, information-sharing bottlenecks, growing dependence on support services, and the emergence of new circumvention infrastructures in shipping, payments, and crypto-enabled channels. If those triggers are recognised early and addressed through targeted recalibration, the compliance architecture should remain durable enough to support sanctions pressure through 2030. If they are ignored, the regime is more likely to erode through fragmentation, fatigue, and private defensive withdrawal than through formal repeal. That is the main analytical lesson of Part 7's outlook section: compliance effectiveness is sustainable, but only under active and repeated recalibration^{1,2,3,4}.

¹ Ibid.

² European Commission. (2025, October 23). *Making sanctions effective*.

³ HM Treasury. (2025, May 15). *Cross-government review of sanctions implementation and enforcement*.

⁴ Financial Action Task Force. (2025, June 20). *Complex Proliferation Financing and Sanctions Evasion Schemes*.

PART EIGHT

Analytical Conclusions

8.1. Overall Effectiveness of the EU Sanctions' Regime

8.1.1. Effectiveness as a Multi-Dimensional Rather than Binary Category

The central methodological error in much public debate is to ask whether sanctions against Russia have “worked” as if the regime had a single purpose and a single test of success. Such a question is analytically inadequate because EU restrictive measures are officially presented as an instrument for changing harmful policies, while recent scholarship has argued that sanctions effectiveness should not be reduced to behavioural change alone. In the Russian case, the relevant issue is therefore not binary success or failure, but the differentiated performance of several sanction functions operating at the same time. A sanctions regime may fail to compel immediate policy reversal yet still degrade material capabilities, deter certain transactions, coordinate a coalition, legitimise a common policy line, and institutionalise durable governance practices. Conversely, a regime may look impressive in legal volume while underperforming in transmission, enforcement, or strategic focus. The proper analytical starting point is thus functional differentiation rather than rhetorical verdict. That logic is especially important for a report which has already shown, across its political, economic, social, legal, hybrid, and compliance parts, that the EU regime operates through multiple channels, with different time horizons and different evaluative standards^{1,2}.

This multidimensional reading is also necessary because the EU regime itself is cumulative and internally differentiated. By the end of 2025, the Union had adopted nineteen packages of sanctions against Russia, and the later packages were no longer confined to headline listings or symbolic political signalling, but increasingly targeted energy, finance, military-industrial supply chains, special economic zones, vessels, third-country banks, crypto providers, and facilitators. That evolution matters analytically because it shows that the regime has moved from a primarily declaratory phase to a layered architecture of pressure maintenance, anti-circumvention, and capability denial. Once sanctions are understood as an expanding system of mutually reinforcing controls, the question “did they work?” becomes too crude to be useful. The more serious question is which strategic function each layer was meant to perform and whether that function has been delivered. In that sense, effectiveness must be disaggregated before it can be judged. Only then can the analyst distinguish limited coercion from strong degradation, or modest immediate impact from significant longer-term leverage^{3,4,5}.

The first and narrowest category is coercive effectiveness, understood as the capacity of sanctions to induce a direct and relatively rapid change in the target state’s core political behaviour. By that strict standard, the EU sanctions regime against Russia has shown only limited success. Russia did not reverse its war policy in response to the measures introduced after February 2022, and the literature remains cautious about claims that sanctions can reliably force such reversal against a large, resource-based, highly securitised authoritarian state. The broader sanctions literature has long noted the inconclusive evidential basis for strong coercive claims, especially where the target can absorb costs, shift burdens internally, and cultivate alternative external channels. Recent work on Russia specifically

¹ European Commission. (n.d.). *Overview of sanctions and related resources*.

² Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*.

³ Council of the European Union. (n.d.). *Russia’s war against Ukraine: EU sanctions*.

⁴ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁵ Council of the European Union. (n.d.). *Timeline — EU sanctions against Russia*.

reaches a similar conclusion: sanctions are an important tool of economic statecraft, but not a magic instrument for ending wars or mechanically changing state behaviour. A serious judgement must therefore reject the inflationary claim that sanctions failed merely because they did not produce immediate capitulation. It must instead recognise that direct coercion is only one benchmark, and not necessarily the most realistic one in this case^{1,2}.

At the same time, even coercive effectiveness should not be defined too mechanically. In a war setting, coercion may also consist in narrowing the target's room for manoeuvre, raising the price of continuation, and worsening the terms on which the target can finance, equip, insure, transport, and legally service its war effort. The official EU framing increasingly reflects that broader logic: recent packages explicitly aim to increase pressure on the Russian war economy and diminish Russia's ability to wage its war of aggression, not merely to produce an instantaneous declaration of retreat. This is analytically significant because it places the regime closer to sustained coercive pressure than to a one-off ultimatum. The relevant standard is therefore not binary capitulation, but whether the target can continue the conflict on the same economic, technological, and institutional terms as before. On that broader definition, coercion remains limited but not absent. The regime has not compelled reversal, but it has contributed to making continuation more costly, more complex, and more dependent on narrower channels of adaptation^{3,4}.

The second category is degradational effectiveness, and here the evidence is considerably stronger. Across the economic, legal, hybrid, and compliance tracks examined in this report, the EU regime has been materially more effective at degrading capabilities than at forcing immediate political reversal. Official EU trade data show the scale of dislocation: EU exports to Russia fell from EUR 89.2 billion in 2021 to EUR 31.5 billion in 2024, while total trade collapsed from EUR 252.8 billion to EUR 67.5 billion over the same period. The same data show especially sharp contraction in machinery and transport equipment exports, one of the most relevant categories for industrial and technological reproduction. This degradational logic has been reinforced by the Common High Priority Items framework, the due-diligence guidance for operators, and the growing focus on battlefield-relevant technologies and diversion-sensitive goods. External analytical work has likewise concluded that sanctions and export controls have placed sustained stress on Russia's defence-industrial base and forced more attritional, lower-quality patterns of reproduction. The correct conclusion is not that Russia lost all productive capacity, but that the cost, friction, and quality constraints of reproduction have increased materially^{5,6,7}.

Degradational effectiveness is visible not only in trade and technology, but also in the restructuring of energy and external commercial relations. The EU's dependency on Russian gas fell from 45% of overall imports at the beginning of the war to 12% in 2025, while oil imports shrank from 27% at the beginning of 2022 to 2%. Eurostat also records a profound change in the wider pattern of EU energy trade: Russia's share in EU energy imports fell from 27.3% in the first quarter of 2020 to 3.6% in the fourth quarter of 2025. This does not mean that Russia ceased exporting hydrocarbons globally, but it does mean that one of its historically important commercial and infrastructural relationships with Europe was deeply and structurally disrupted. The oil price cap and shadow-fleet-related measures further reduced relevant Russian revenues, with the Council stating in May 2025 that such revenues had fallen by EUR 38 billion and were materially below March 2022 levels. From the standpoint of sanctions analysis, this is not full strangulation, but it is unmistakable degradation. The target can adapt, reroute, and partially

¹ Smeets, M. (2018). *Can economic sanctions be effective?*

² Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*.

³ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

⁴ European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

⁵ European Commission, Directorate-General for Trade and Economic Security. (2025, May 8). *European Union, Trade with Russia*.

⁶ European Commission. (2024, February 22). *List of common high priority items*.

⁷ Bergmann, M., Snegovaya, M., Dolbaia, T., & Fenton, N. (2023). *Out of Stock? Assessing the Impact of Sanctions on Russia's Defense Industry*.

compensate, yet it does so under worse commercial conditions, greater logistical stress, and lower policy flexibility than before^{1,2,3}.

The third category is deterrent effectiveness, and this must be disaggregated very carefully. If deterrence is defined as preventing the initial 2022 escalation, then the answer is plainly negative. But that is not the only relevant meaning. Deterrence may also operate at the level of third-country facilitators, insurers, banks, freight operators, brokers, compliance departments, and technology suppliers who decide that the legal, reputational, or enforcement risk of Russia-linked activity has become too high. In that narrower but operationally important sense, sanctions can deter not the Kremlin's original decision, but the willingness of surrounding actors to service, enable, or normalise that decision. Recent Commission and G7 guidance documents are explicitly designed to produce exactly this effect by identifying red flags, evasion typologies, and due-diligence expectations for industry. The new EU criminal-law framework for sanctions violations also strengthens the deterrent back end by making circumvention and violation more prosecutable across Member States. Accordingly, deterrence in the Russia case should be treated as mixed: strategically weak at the level of pre-war prevention, but more substantial at the level of ongoing transaction restraint and facilitation risk^{4,5,6}.

The fourth category is coordinative effectiveness, and in the EU case this has been one of the regime's clearest strengths. Sanctions have functioned not only as a pressure device against Russia, but also as an instrument for maintaining policy alignment across Member States and between the EU and partner jurisdictions. The legal adoption process itself requires coordinated institutional action, while the practical operation of the regime increasingly depends on shared guidance, common risk typologies, joint lists of sensitive goods, and convergent implementation practice. The Commission's publication of updated G7 guidance for industry, together with the European Parliament's emphasis on implementation and monitoring capacity, illustrates that sanctions are now a field of coalition management as much as a field of restriction. This is important because coalitional coordination is not merely symbolic; it amplifies the practical force of measures in finance, insurance, export control, and anti-circumvention. A measure that is modest in one jurisdiction can become materially stronger when embedded in a wider network of aligned controls. In that sense, the sanctions regime has helped convert political solidarity into an operational architecture of coordinated restraint^{7,8,9}.

A closely related but distinct category is legitimising effectiveness. Sanctions do not merely restrict transactions; they also encode a normative position and prevent the normalisation of relations under wartime conditions. The EU's official sanctions pages repeatedly present restrictive measures as a core instrument of the Union's Common Foreign and Security Policy, designed to respond to harmful conduct and sustain pressure until that conduct changes. This normative function matters because the durability of sanctions depends not only on technical enforceability, but on the continued legitimacy of the regime within the sender coalition. In the Russian case, sanctions have helped maintain a structured European position that the war cannot be treated as a normal background condition of business. They have also supported the broader policy logic of long-term assistance to Ukraine, including the channelling of extraordinary proceeds from immobilised Russian assets into EU-G7 support mechanisms. The result is a regime that legitimises not only pressure on Russia, but also the non-automatic restoration of ordinary

¹ European Commission. (2026, February 2). *REPowerEU — phase out of Russian energy imports*.

² Eurostat. (n.d.). *EU international trade in goods — latest developments*.

³ Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁴ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*.

⁵ European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁶ European Commission. (2024, September 24). *Sanctions vis-à-vis Russia: Commission publishes G7 Industry Guidance on preventing sanctions evasion*.

⁷ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁸ European Commission. (2024, September 24). *Preventing Russian export control and sanctions evasion — Updated guidance for industry*.

⁹ Portela, C., & Olsen, K. B. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

interaction. That function should not be dismissed as merely symbolic, because in long-duration confrontations legitimacy is one of the conditions of policy endurance^{1,2,3}.

The sixth category, and perhaps the most underappreciated in public discourse, is institutional effectiveness. Over the period covered by this report, the sanctions regime has increasingly become a field of European governance in its right, with its helpdesk infrastructure, guidance architecture, common criminal-law framework, implementation routines, and enforcement-support instruments. That development matters because a sanctions regime becomes strategically durable not when it is loudly announced, but when it acquires administrative depth, legal clarity, and repeatable operational routines. The EU Sanctions Helpdesk, launched in 2025 for SMEs and other operators, is an example of this institutional thickening. So too is the 2024 Directive on sanctions violations, which establishes common definitions of criminal offences and penalties in this area. Even infringement action against lagging transposition has significance here, because it shows that sanctions governance has moved from exceptional improvisation towards more regularised internal discipline. Institutional effectiveness therefore consists in the regime's growing capacity to reproduce itself, standardise expectations, and remain governable over time^{4,5,6}.

This institutional dimension also changes how effectiveness should be measured. In a mature sanctions' regime, outcomes are produced not only by regulations themselves, but by the interaction between legal drafting, interpretative FAQs, compliance guidance, due-diligence standards, licensing practice, reporting channels, and enforcement follow-through. The growing volume of Commission guidance on Russia-related provisions, including targeted-vessel rules, oil imports, due diligence for Common High Priority items, infrastructure bans, and services questions, demonstrates that the regime now operates through a dense interpretative layer rather than through bare prohibitions alone. That interpretative layer is not secondary. It is one of the main channels through which sanctions become administratively usable and commercially consequential. As Parts Five, Six, and Seven of this report have shown, the legal, hybrid, and compliance tracks are therefore not marginal annexes to "real" sanctions, but constitutive parts of how pressure is actually transmitted. A regime that becomes better interpreted, better monitored, and better institutionalised may become more effective even without dramatic new headline measures^{7,8,9}.

A multidimensional approach also requires a temporal distinction between short-term shock, medium-term restructuring, and long-term erosion. Some sanctions effects appear quickly: financial dislocation, transactional uncertainty, withdrawal of services, immediate compliance friction, and abrupt trade interruption. Others emerge only gradually, through the ageing of capital stock, weaker technological renewal, reduced quality of imported substitutes, longer logistics chains, narrowing of insurance and finance options, and the cumulative effects of risk pricing. The analytical literature on sanctions repeatedly stresses that assessment becomes distorted when all effects are forced into an immediate behavioural frame. This is particularly true in the Russian case, where a degree of macroeconomic stabilisation has coexisted with deeper structural frictions and more constrained future option sets. Time therefore matters not only descriptively but conceptually. A measure that appears disappointing in

¹ European Commission. (n.d.). *Overview of sanctions and related resources*.

² European Commission. (2025, February 24). *EU adopts 16th package of sanctions against Russia*.

³ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

⁴ European Commission. (2025, June 11). *Sanctions implementation*.

⁵ European Commission. (2026, January 27). *Real SMEs, real sanctions compliance stories*.

⁶ European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁷ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

⁸ European Commission. (n.d.). *Guidance documents*.

⁹ European Commission. (2025, July 23). *Commission takes action to ensure complete and timely transposition of the Directive on the criminalisation of the violation of Union restrictive measures*.

the short term may still be meaningful when judged against medium-term degradation and long-term strategic leverage^{1,2,3}.

This temporal logic is also why visible Russian adaptation cannot be treated as proof of sanctions irrelevance. Adaptation may certainly indicate resilience, but it may equally indicate costly re-routing, lower-quality substitution, greater reliance on opaque intermediaries, or stronger dependence on a narrower group of external partners. The existence of sanction-busting or alternative trade relations has been recognised in the literature for years, yet this does not negate pressure; rather, it changes the form in which pressure becomes visible. In the Russian case, the EU and G7 have responded precisely because circumvention is real: they have issued due-diligence guidance, red-flag typologies, and updated industry guidance aimed at diversion-sensitive transactions. In other words, adaptation is part of the sanctions field, not evidence that the field has disappeared. The more Russia relies on workaround structures, the more the contest shifts from simple prohibition to monitoring, closure, and cost escalation. That is a different kind of effectiveness problem, but not a null one^{4,5,6}.

Another reason the binary formula fails is that it places undue weight on aggregate macroeconomic resilience. Russia's economy did not collapse in the way some early commentary implied, and recent economic analysis has stressed the mixed character of sanctions impact. But that fact alone does not settle the question of sanctions effectiveness. A war economy can remain operational while becoming less efficient, more coercively redistributive, more technologically constrained, and more dependent on inferior or riskier channels of reproduction. Official EU trade data and energy data show that the Union-Russia economic relationship has been radically compressed even without total economic breakdown in Russia. The relevant analytical contrast is therefore not “collapse versus no collapse”, but “continued functioning under substantially worsened structural conditions versus continued functioning on pre-war terms”. On that test, the sanctions' regime has clearly altered the environment in which Russia operates, even if it has not extinguished Russian wartime capacity altogether^{7,8,9}.

This implies that sanctions evaluation should use differentiated indicators matched to differentiated functions. Political and diplomatic measures should be judged in terms of signalling, isolation, and coalition management. Economic measures should be judged by capability denial, trade compression, revenue pressure, technological degradation, and transaction-cost escalation. Social measures require caution and should be assessed largely through mediated and distributional effects rather than crude moral claims. Legal measures should be evaluated by precision, defensibility, proportionality, and resilience under review. Hybrid measures should be judged by their ability to disrupt enabling networks, intermediary jurisdictions, logistics, and facilitation infrastructures. Compliance measures should be judged by transmission quality, due diligence, private-sector uptake, and the reduction of exploitable grey zones. Once this evaluative grammar is adopted, the false simplicity of “worked / did not work” becomes analytically untenable^{10,11,12}.

¹ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*.

² Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*.

³ Smeets, M. (2018). *Can economic sanctions be effective?*

⁴ Ibid.

⁵ European Commission. (2024, September 24). *Preventing Russian export control and sanctions evasion — Updated guidance for industry*.

⁶ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*.

⁷ Ibid.

⁸ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*.

⁹ European Commission, Directorate-General for Trade and Economic Security. (2025, May 8). *European Union, Trade with Russia*.

¹⁰ Portela, C., & Olsen, K. B. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

¹¹ European Commission. (2025, June 11). *Sanctions implementation*.

¹² European Commission. (2025, July 23). *Commission takes action to ensure complete and timely transposition of the Directive on the criminalisation of the violation of Union restrictive measures*.

Table 8.1.1-1. Analytical matrix of sanctions effectiveness categories in the EU regime against Russia (2022–2025)

Effect category	What counts as success	Main EU-Russia channels	Interim judgement
Coercive	Direct change in Russia's core war policy	Political signalling, listings, sectoral pressure, cumulative cost escalation	Limited in the narrow sense; partial only in the broader "pressure on continuation" sense
Degradational	Erosion of capabilities, access, and reproduction quality	Export controls, finance, energy, services, logistics, technology denial	Stronger than coercive effect; one of the clearest results of the regime
Deterrent	Discouraging prohibited or high-risk conduct	Compliance burdens, due diligence, criminal penalties, red-flag guidance, de-risking	Mixed overall; weak at pre-war deterrence, stronger for facilitators and operators
Coordinative	Maintaining coalition coherence and operational alignment	Packages, G7 guidance, common priority lists, shared implementation logic	Strong
Legitimising	Sustaining the normative and political basis of pressure	CFSP framing, Ukraine support, non-normalisation of wartime relations	Strong
Institutional	Building durable governance capacity for sanctions	FAQs, Helpdesk, criminalisation directive, enforcement routines, compliance systems	Strong and increasingly important

Authorship: prepared by the author on the basis of official EU institutional materials and other works

Sources:

- European Commission. (n.d.). *Overview of sanctions and related resources*.
- Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.
- European Commission, Directorate-General for Trade and Economic Security. (2025, May 8). *European Union, Trade with Russia*.
- Portela, C., & Olsen, K. B. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.
- Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*.
- Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*.

Table 8.1.1-1 makes clear that the various effect categories should not be weighted equally. If one uses only the most demanding criterion of rapid coercion, the entire regime appears disappointing. If, however, one evaluates the regime according to the full set of functions it was actually designed to perform by 2022–2025, a more differentiated conclusion emerges. The strongest results lie in degradation, coordination, legitimisation, and institutionalisation; deterrence is mixed; narrow coercion remains limited. That is not a rhetorical compromise but an analytically more accurate judgement. It better reflects both the official EU design logic and the accumulated evidence on trade compression, energy reorientation, compliance thickening, and anti-circumvention governance. The regime has not produced a quick breakthrough, but neither can it be meaningfully described as ineffective^{1,2,3,4}.

The overall analytical conclusion of this subsection is therefore straightforward. The EU sanctions regime against Russia should be assessed as a multi-dimensional pressure architecture whose main successes to date lie in capability degradation, coalition coordination, normative-legitimising

¹ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

² European Commission, Directorate-General for Trade and Economic Security. (2025, May 8). *European Union, Trade with Russia*.

³ European Commission. (2025, June 11). *Sanctions implementation*.

⁴ European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

consolidation, and the institutional maturation of sanctions governance, while its principal weakness remains the limited capacity of sanctions alone to compel rapid political reversal in Moscow. This conclusion also provides the necessary bridge to the next subsection. Once effectiveness is treated as differentiated rather than binary, the next task is not to ask again whether sanctions “worked”, but to compare how strongly they performed across the six substantive dimensions examined in this report: political, economic, social, legal, hybrid, and compliance. Only that comparative step can yield a properly integrated final judgement on the regime as a whole^{1,2,3}.

8.1.2. Comparative Assessment across the Six Dimensions of the Report

A comparative assessment across the six dimensions of this report confirms that the EU sanctions regime against Russia has not been uniform in either mechanism or outcome. The central analytical result is that the regime has produced its strongest effects where it targets capabilities, transactions, implementation pathways, and enabling networks, while it has been less decisive where the expected result would be rapid political reversal or socially transformative pressure on the Russian population as such. This means that the overall judgement cannot be derived from any single track. Political, economic, social, legal, hybrid, and compliance measures each perform different strategic functions and therefore require differentiated evaluative standards. The political track has been strongest in signalling, delegitimisation, and coalition discipline; the economic track in degradation and structural pressure; the social track in mediated friction rather than direct coercion; the legal track in resilience, precision, and institutional durability; the hybrid track in raising the cost of adaptation; and the compliance track in converting formal law into real constraints. The comparative conclusion is thus not that some tracks matter and others do not, but that they matter in different ways and with different time horizons. Any serious integrated judgement must therefore rank them not by rhetorical visibility, but by the type and strength of strategic effect they actually generated^{4,5}.

The political dimension should be assessed first because it was the initial and most publicly legible layer of the regime. By March 2026, the EU’s individual listings in response to Russia’s aggression covered around 2,600 individuals and entities, while the wider sanctions regime also included diplomatic measures, the suspension of visa facilitation, and broadcasting restrictions on a range of Russian media outlets. These measures did not compel a reversal of Russian foreign policy in the narrow sense. However, they performed several other functions with considerable consistency: they narrowed Russia’s legitimate room for manoeuvre in Europe, codified a durable posture of non-normalisation, marked responsibility, and helped stabilise intra-EU and broader coalition discipline. In comparative terms, the political track was therefore not the strongest in direct coercive yield, but it was one of the strongest in coordinative and legitimising effect. It provided the normative and diplomatic frame within which the other tracks could operate. Its practical weakness remained the familiar one: political signalling alone rarely forces behavioural reversal in a large authoritarian wartime system with high coercive capacity and alternative channels of external alignment^{6,7,8}.

This means that the political track should be graded as strong in symbolic-coordinative terms but limited in direct coercive terms. That is not a contradiction but a normal feature of mature sanctions regimes. Political measures are often designed less to produce immediate surrender than to establish a durable external position, delimit legitimacy, and sustain policy continuity across changing circumstances. In

¹ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*.

² Portela, C., & Olsen, K. B. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions*.

³ Council of the European Union. (n.d.). *Russia’s war against Ukraine: EU sanctions*.

⁴ Ibid.

⁵ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁶ Council of the European Union. (2026, March 14). *Russia’s war of aggression against Ukraine: EU extends individual listings over Ukraine’s territorial integrity for a further six months*.

⁷ Council of the European Union. (n.d.). *Russia’s war against Ukraine: EU sanctions*.

⁸ Council of the European Union. (n.d.). *EU sanctions in response to Russia’s military aggression against Ukraine*.

the EU-Russia case, that function was especially important because the regime expanded over time into nineteen packages, and later measures relied on a prior political consensus that the relationship could not return to routine business under wartime conditions. The political dimension was therefore foundational even where it was not decisive on its own. In comparative ranking, it belongs above the social track and broadly alongside the legal track in strategic importance, but below the economic and compliance tracks in terms of direct operational pressure. Its strongest value lay in preserving the political coherence of the sanctions' architecture as a whole^{1,2}.

The economic dimension, by contrast, was the clearest source of material degradational effect. Official EU trade data show that total EU-Russia trade fell to EUR 67.5 billion in 2024, with EU imports from Russia at EUR 36.0 billion and EU exports to Russia at EUR 31.5 billion. These figures represent a dramatic contraction compared with pre-war levels and demonstrate that the economic relationship has been structurally compressed rather than merely politically criticised. The same pattern is visible in sectoral composition, with major pressure on machinery, transport equipment, advanced goods, and other categories linked to technological renewal and productive reproduction. The EU and G7 policy line has increasingly aimed not only to reduce immediate flows, but to deny Russia access to critical technologies, services, and market conditions necessary for sustaining a modern war economy at lower cost. In comparative terms, the economic track produced the strongest direct pressure on Russia's external economic interface. It did not collapse the Russian economy, but it significantly worsened the conditions under which Russia can finance, import, transport, insure, and technologically reproduce its wartime system^{3,4}.

The energy component of the economic track reinforces this conclusion. The Commission's REPowerEU material states that the EU reduced its dependence on Russian gas from 45% at the start of the war to 12% in 2025, while oil imports from Russia fell from 27% at the beginning of 2022 to 2%. Eurostat likewise records a broader structural change in EU energy trade, with Russia's share in EU energy imports dropping from 27.3% in the first quarter of 2020 to 3.6% in the fourth quarter of 2025. The Council also reported in May 2025 that, since the oil price cap and shadow-fleet sanctions were introduced, relevant Russian revenues had decreased by EUR 38 billion. None of these figures proves complete economic strangulation. But together they show that the economic track has been the most effective in forcing large-scale reconfiguration of trade, energy dependence, and revenue channels. In comparative assessment, it therefore ranks first in observable degradational effect, even though adaptation, rerouting, and alternative buyers prevented a simple coercive breakthrough^{5,6,7}.

The social dimension occupies a distinctly different place in the comparative hierarchy. The EU did introduce measures with visible social implications, including the full suspension of the EU-Russia visa facilitation agreement and the suspension of broadcasting activities of a number of Russian state-controlled or pro-Kremlin media outlets. Yet the report's central finding on this track remains that social effects are largely mediated, distributional, and indirect, not direct instruments of coercive transformation. The Commission's humanitarian sanctions guidance explicitly states that EU sanctions are targeted and are intended to reduce adverse humanitarian consequences as far as possible. That principle is critical for understanding why the social track cannot be evaluated by the same standard as the economic one. The EU has not pursued comprehensive societal deprivation as a legitimate objective. Instead, the social dimension operates through mobility friction, reduced access to certain cross-border conveniences, everyday financial and service obstacles, symbolic exclusion, and the redistribution of burdens within Russian society. Comparative assessment therefore places the social

¹ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

² Council of the European Union. (n.d.). *Timeline — Packages of sanctions against Russia since February 2022*.

³ European Commission, Directorate-General for Trade and Economic Security. (2025, May 8). *European Union, Trade with Russia*.

⁴ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

⁵ European Commission. (2026, February 2). *REPowerEU — phase out of Russian energy imports*.

⁶ Eurostat. (n.d.). *EU international trade in goods — latest developments*.

⁷ Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

track at the lower end of direct strategic yield, while still recognising that it contributes to the wider atmosphere of constrained normality^{1,2,3}.

The relative weakness of the social track does not mean that it is analytically irrelevant. On the contrary, it is important precisely because it demonstrates the limits of sanction acceptability and the risks of overreach. Social sanctions are constrained by humanitarian, fundamental-rights, and proportionality considerations to a far greater degree than asset freezes, export controls, or anti-circumvention rules. They can also generate counterproductive narratives if they appear indiscriminate, culturally punitive, or detached from identifiable state-linked responsibility. The European Parliament's sanctions implementation work has underlined that sanctions policy is not cost-free for the EU and its Member States and that implementation quality matters for avoiding inequitable or distorted effects. For this reason, the social track should be judged as low to medium in direct pressure, but high in caution value: it tells policymakers where legitimacy thresholds lie and where the sanctions regime must remain disciplined if it is to preserve political sustainability inside the Union. In comparative terms, it is the most normatively constrained and the least decisive of the six dimensions^{4,5}.

The legal dimension should be assessed more favourably than its public visibility might suggest. Its strategic importance lies not in spectacular headline effects, but in whether the overall regime remains normatively precise, scalable, defensible, and administratively governable over time. The adoption of Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures significantly strengthened the Union's legal back end by making sanctions violations easier to investigate and prosecute across Member States. At the same time, the Commission's continuously updated Russia sanctions FAQs and sectoral guidance on services, finance, energy, infrastructure, targeted vessels, and due diligence have thickened the interpretative layer necessary for day-to-day legal usability. In comparative terms, the legal track has therefore been strong in resilience and institutional quality, even if its coercive effect is generally indirect and mediated through the other tracks. It provides the framework within which political intention becomes enforceable and economic restrictions become operationally intelligible. Without that legal architecture, the wider sanctions regime would become harder to defend, harder to apply consistently, and easier to circumvent^{6,7,8}.

At the same time, the legal track also reveals one of the regime's structural weaknesses: complexity. The more the sanctions regime evolves into a dense set of prohibitions, derogations, authorisation pathways, service restrictions, vessel measures, and anti-circumvention obligations, the more it depends on high-quality interpretation and convergent national administration. The European Parliament and EPRS have both emphasised the risk created by the EU's decentralised implementation structure, including a mosaic of practices across the Union and large numbers of competent authorities. This means that the legal dimension, while strong in formal architecture, cannot be treated as self-executing. Its effectiveness depends on translation into compliance systems and enforcement routines. Comparative assessment therefore places the legal track below the economic track in direct observable effect, but above the social track and close to the political track in strategic significance. Its strongest contribution is to the durability of the regime rather than to immediate behavioural shock^{9,10}.

¹ Council of the European Union. (2022, September 9). *Council adopts full suspension of visa facilitation with Russia*.

² Council of the European Union. (n.d.). *EU sanctions in response to Russia's military aggression against Ukraine*.

³ European Commission. (2023, February 7). *Humanitarian aid — Frequently asked questions*.

⁴ European Parliament. (2023, October 10). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

⁵ European Commission. (2023, February 7). *Humanitarian aid — Frequently asked questions*.

⁶ European Union. (2024, April 24). *Directive (EU) 2024/1226 of the European Parliament and of the Council on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁷ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

⁸ European Commission. (2026, January 22). *Provision of services*.

⁹ European Parliament. (2023, October 10). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

¹⁰ European Parliamentary Research Service. (2024). *EU sanctions: A key foreign and security policy instrument*.

The hybrid dimension, as examined in Part Six, ranks among the most strategically significant but also among the most difficult to measure. Its importance lies in targeting the adaptive infrastructures that help Russia function under sanctions pressure: shadow shipping, intermediary jurisdictions, concealed ownership, service fragmentation, trade diversion, and other network-based forms of circumvention or operational substitution. The Council's explanatory material on sanctions against Russia explicitly identifies the shadow fleet's evasive tactics, including the switching off of tracking systems, false flags, and complex ownership structures, and notes that the EU began addressing these circumvention risks in the 11th and 12th packages before expanding the approach further. The same logic is visible in the Union's separate sanctions framework on Russia's destabilising and hybrid activities. In comparative terms, the hybrid track has been more effective in raising adaptation costs than in closing all adaptation routes. It is therefore a medium-high performing dimension: operationally important, increasingly central, but still limited by evidentiary opacity, attribution challenges, and the resilience of proxy and intermediary networks^{1,2,3}.

This hybrid assessment is important because it helps explain why the regime's most meaningful effects are not always captured by straightforward macro indicators. Hybrid sanctions often work through friction, delay, opacity reduction, network disruption, and the forced multiplication of workarounds. These effects may be less visible than aggregate trade contraction, but they are strategically relevant because they shape the quality, scalability, and cost of Russian adaptation. The Commission's enhanced due-diligence guidance for EU operators and its more recent issue-specific FAQ architecture on Common High Priority items, targeted vessels, and infrastructure bans illustrate that the EU increasingly understands the contest as one over enabling systems, not only over enumerated goods. In comparative terms, the hybrid dimension does not outrank the economic track in scale, but it increasingly rivals it in strategic sophistication. Its contribution lies in preventing adaptation from becoming too stable, too cheap, or too invisible^{4,5,6}.

The compliance dimension should be treated as one of the highest-performing and most indispensable tracks in the report. Its comparative strength lies in the fact that it is not merely another category of measures, but the transmission mechanism through which the legal, economic, and hybrid dimensions become real constraints on behaviour. The Commission's sanctions implementation work in 2025 explicitly presented the EU Sanctions Helpdesk as part of the Union's effort to help operators, especially SMEs, comply with sanctions worldwide. The continuously updated consolidated FAQs, the due-diligence materials, and the criminalisation directive all point in the same direction: sanctions policy has matured into a governance system that relies heavily on operator screening, ownership verification, export diligence, payment controls, documentation, and internal escalation procedures. Comparative assessment therefore places the compliance track alongside the economic track at the top tier of practical effectiveness, though for a different reason. Economic sanctions create the material restriction; compliance determines whether that restriction is actually transmitted, internalised, and enforced across thousands of decisions by private and public actors^{7,8,9}.

The limitation of the compliance track is not conceptual but administrative. The European Parliament's work on sanctions implementation has stressed the need for stronger EU capacities, better guidance, clearer competent-authority structures, and more systematic monitoring. This is consistent with the

¹ Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*.

² Council of the European Union. (n.d.). *Russia's hybrid activities: EU sanctions*.

³ Council of the European Union. (2025, October 3). *Russian hybrid threats: Council prolongs restrictive measures by another year*.

⁴ European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.

⁵ European Commission. (2024, February 19). *Guidance on due diligence*.

⁶ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

⁷ European Commission. (2025, June 11). *Sanctions implementation*.

⁸ European Commission. (2026, March 13). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

⁹ European Union. (2024, April 24). *Directive (EU) 2024/1226 of the European Parliament and of the Council on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

report's conclusion in Part Seven that compliance quality can be undermined by fragmentation, defensive de-risking, weak ownership transparency, operator asymmetries, and uneven enforcement resources across Member States. Compliance is thus one of the strongest tracks in comparative assessment, but it is also one of the most demanding. Its success depends on continuous updating, institutional learning, data access, and practical convergence. However, in relative terms, it still outperforms the political and social tracks because it directly affects whether sanctioned conduct becomes difficult, risky, and expensive in practice^{1,2}.

Taken together, the six-track comparison yields a clear ordering. The economic and compliance dimensions emerge as the strongest in practical operational effect. The hybrid and legal dimensions follow closely behind, not because they are secondary, but because much of their value lies in reinforcing, hardening, and extending the main lines of pressure rather than replacing them. The political dimension remains indispensable in symbolic, coordinative, and legitimising terms, yet weaker in direct coercion. The social dimension remains the most limited in direct strategic return and the most heavily constrained by legitimacy considerations. Such a ranking should not be misunderstood as a hierarchy of importance detached from interaction. It is precisely the interaction of these tracks that gives the EU regime its cumulative strength. But if one asks, dimension by dimension, where the most pronounced effects have occurred, where they have been mediated, and where they have remained limited, this is the comparative pattern that emerges^{3,4,5}.

The main analytical implication of Table 8.1.2-1 is that the report's six dimensions do not merely describe different policy sectors; they identify different effect pathways within a single cumulative regime. The political track gives the regime legitimacy and diplomatic continuity. The economic track imposes the largest directly observable material losses. The social track marks the outer boundary of acceptable pressure. The legal track preserves coherence, defensibility, and repeatability. The hybrid track prevents adaptation from stabilising too cheaply. The compliance track determines whether all of the above remain more than paper rules. A comparative assessment is therefore not an exercise in choosing one "true" dimension, but in identifying which dimensions carry the greatest analytical weight at different stages of the pressure cycle. On that basis, the strongest short-to-medium-term weight lies in the economic and compliance tracks, while the legal and hybrid tracks are decisive for medium-term hardening and the political track remains essential for long-term durability^{6,7,8}.

Table 8.1.2-1. Comparative assessment of the six sanctions dimensions examined in the report

Dimension	Dominant mechanism of effect	Where the effect has been most visible	Principal limitation	Comparative judgement
Political	Signalling, delegitimisation, diplomatic narrowing, coalition coordination	Listings, visa suspension, media restrictions, non-normalisation of relations	Weak capacity for rapid direct coercion	Strong in coordinative and legitimising terms; limited in direct coercive terms
Economic	Capability denial, trade compression, energy decoupling, revenue pressure	Trade contraction, technology restrictions, energy reorientation, oil-revenue pressure	Adaptation, rerouting, alternative buyers and suppliers	Strongest direct degradational dimension

¹ European Parliament. (2023, October 10). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

² European Commission. (n.d.). *Overview of sanctions and related resources*.

³ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

⁴ European Commission, Directorate-General for Trade and Economic Security. (2025, May 8). *European Union, Trade with Russia*.

⁵ European Commission. (2025, June 11). *Sanctions implementation*.

⁶ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁷ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

⁸ European Parliament. (2023, October 10). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.

Dimension	Dominant mechanism of effect	Where the effect has been most visible	Principal limitation	Comparative judgement
Social	Indirect social friction, mobility barriers, symbolic exclusion, mediated everyday constraints	Visa regime changes, media restrictions, service and financial inconveniences	High legitimacy thresholds, humanitarian and proportionality constraints	Lowest direct strategic yield; analytically important but coercively limited
Legal	Normative precision, codification, defensibility, scalable governance	Criminalisation of violations, service restrictions, FAQs, licensing and derogation architecture	Complexity, litigation risk, uneven national administration	Strong in resilience and durability; indirect in immediate pressure
Hybrid	Network disruption, anti-circumvention, route destabilisation, opacity reduction	Shadow-fleet measures, intermediary-jurisdiction controls, due-diligence intensification	Attribution difficulties, proxy structures, evidentiary opacity	Medium-high; strategically important and increasingly central
Compliance	Transmission of law into behaviour through screening, due diligence, and controls	Operator uptake, beneficial-ownership checks, trade controls, payment and insurance controls	Fragmentation, uneven enforcement capacity, private-sector burden	Top-tier practical effect; indispensable enabling dimension

Authorship: prepared by the author on the basis of official EU institutional materials

Sources:

- Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.
- European Commission, Directorate-General for Trade and Economic Security. (2025, May 8). *European Union, Trade with Russia*.
- European Commission. (2025, June 11). *Sanctions implementation*.
- European Union. (2024, April 24). *Directive (EU) 2024/1226 of the European Parliament and of the Council on the definition of criminal offences and penalties for the violation of Union restrictive measures*.
- European Parliament. (2023, October 10). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.
- Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*.

The overall conclusion of this subsection is therefore as follows. Across the six dimensions analysed in Parts Two to Seven, the EU sanctions regime against Russia has been most effective where it degrades capabilities, narrows external options, hardens transaction controls, and disciplines implementation, and least effective where the expected benchmark is rapid direct coercion or broad socially transformative impact by itself. This comparative judgement also clarifies the next analytical step. Once the six dimensions are ranked according to their dominant effect, the decisive question becomes how they interact cumulatively over different time horizons. The next subsection should therefore move from comparative assessment to cumulative architecture, showing how listings, trade controls, legal restrictions, hybrid disruption, and compliance systems reinforce one another over the short, medium, and long term^{1,2,3}.

8.1.3. Cumulative Pressure, Interaction Effects, and Time Horizons

The central conclusion of this subsection is that the effectiveness of the EU sanctions regime against Russia is determined less by the isolated force of any single measure than by the cumulative interaction of multiple restrictive layers operating simultaneously and sequentially. This proposition follows directly from the analytical logic of the present report, in which sanctions have been treated not as a simple succession of political decisions, but as an integrated architecture composed of political signalling,

¹ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

² European Commission. (2025, June 11). *Sanctions implementation*.

³ European Commission, Directorate-General for Trade and Economic Security. (2025, May 8). *European Union, Trade with Russia*.

economic restrictions, legal controls, hybrid anti-circumvention tools, and compliance systems. In methodological terms, this means that the relevant unit of analysis is no longer the individual package or provision as such, but the pressure system created by their interaction. A listing may have only moderate effect in isolation, yet become materially more consequential when combined with asset freezes, banking restrictions, corporate de-risking, transport controls, and beneficial-ownership screening. An export control may be partially circumvented when viewed on its own, yet regain much of its practical force when reinforced by due-diligence obligations, Common High Priority items guidance, vessel targeting, and pressure on third-country facilitators. The real strategic question is therefore not whether a single sanction “works”, but whether the regime as a whole makes continuation, adaptation, and circumvention progressively more costly, legally riskier, logistically harder, and institutionally narrower over time. That cumulative reading is also consistent with recent analytical literature, which stresses that sanctions are more effective when designed and implemented comprehensively rather than piecemeal, because gradual or fragmented sequencing allows the target to adapt^{1,2}.

This cumulative logic is visible in the evolution of the EU regime itself. By October 2025, the Union had adopted nineteen packages of sanctions against Russia, and the later packages were increasingly focused not merely on enlarging the list of restrictions, but on tightening the connective tissue of the regime. The 16th package targeted vital sectors of the Russian economy; the 17th package further restricted access to battlefield technologies and targeted an unprecedented number of shadow-fleet vessels; the 18th package deepened pressure through measures against non-EU tankers in the shadow fleet and the lowering of the crude oil cap; and the 19th package expanded pressure on energy, finance, the military-industrial base, special economic zones, and enablers of the war economy. The significance of this sequence lies not only in the number of packages, but in the shift from broad restrictive expansion towards reinforcement, closure of loopholes, and better integration of sectoral, maritime, and facilitation-related measures. In other words, the EU regime has developed from a sanctions catalogue into a cumulative architecture of maintenance and hardening. That is why the later packages should be interpreted as interactional multipliers rather than merely incremental additions^{3,4,5,6}.

The first major interaction effect operates between the political and legal tracks. Political measures establish the diplomatic and normative frame of pressure, but their strategic value depends on whether they are converted into a legally intelligible and judicially sustainable set of restrictions. Listings, diplomatic restrictions, and non-normalisation signals shape the political meaning of the regime, yet without clear legal codification they remain partially declaratory. The legal track provides the precision, update capacity, derogation logic, and interpretative coherence that allow political resolve to become repeatable governance rather than episodic symbolism. This interaction is essential because a politically ambitious but legally unstable regime tends to invite litigation, divergent interpretation, and implementation hesitancy. Conversely, a legally refined regime without sufficient political will can remain narrow and under-activated. The EU regime against Russia has shown relative strength precisely where political intention and legal structuring have reinforced one another. That is one reason why later stages of the sanctions architecture increasingly relied on formal guidance, iterative FAQs, and criminal-law reinforcement rather than on symbolic announcements alone^{7,8}.

¹ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

² Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

³ Council of the European Union. (2025, February 24). *Three years of Russia’s full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.

⁴ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁵ Council of the European Union. (2025, July 18). *Russia’s war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*.

⁶ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁷ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions*. Policy Department for External Relations.

⁸ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

A second and even more consequential interaction effect links the economic and compliance tracks. Economic restrictions create the formal obstacle, but compliance determines whether that obstacle is actually transmitted into commercial behaviour. A trade ban without screening, end-use diligence, ownership checks, banking alerts, shipping scrutiny, and internal escalation protocols remains a weakly transmitted legal fact. This is why the report's earlier conclusion that compliance functions as the operational transmission mechanism of sanctions is so important for the integrated assessment. The European Commission's sanctions implementation material now explicitly places operator guidance, FAQs, due diligence, and Helpdesk support at the centre of sanctions practice, particularly for SMEs and other firms exposed to complex cross-border risks. The broader analytical implication is that the effectiveness of the economic track cannot be judged independently of the maturity of compliance systems. Where compliance is strong, formal restrictions become transaction-denying and behaviour-shaping; where it is fragmented, much of the nominal pressure leaks away through ambiguity, delay, or selective convenience^{1,2,3}.

The same interaction is visible in the trade data. Official Commission factsheets show that total EU-Russia goods trade fell to EUR 67.5 billion in 2024, with EU imports at EUR 35.982 billion and EU exports at EUR 31.547 billion. These aggregate figures are the visible macroexpression of a much denser architecture of restrictions, implementation, and private-sector risk processing. They do not result from one measure alone, but from the combined effect of trade prohibitions, service denials, financial constraints, transport frictions, corporate exits, ownership screening, and the wider risk environment created by sanctions governance. This is precisely why cumulative analysis is more revealing than instrument-by-instrument description. A narrow reading of one prohibition cannot explain the scale of contraction in the overall relationship; only the interaction of multiple restrictive layers can do so. The trade figures therefore should be read not as proof of the autonomous force of any single package, but as evidence of the cumulative compression produced by the regime as a whole^{4,5}.

A third interaction effect connects the economic, hybrid, and compliance dimensions in the field of anti-circumvention. Once Russia began relying more heavily on rerouting, intermediary jurisdictions, shadow logistics, proxy structures, and fragmented service chains, the centre of gravity of sanctions effectiveness shifted. It was no longer sufficient merely to prohibit the original transaction; the EU also had to disrupt the adaptive ecologies through which prohibited activity was reconstructed. This is where hybrid measures became increasingly important. Measures against the shadow fleet, targeted vessels, rerouting typologies, and high-risk facilitation structures do not replace economic sanctions; they protect and extend them by making adaptation less scalable and less predictable. At the same time, these hybrid tools depend heavily on compliance intelligence, due-diligence quality, and operator-level risk detection. Hybrid sanctions without compliance support become difficult to trace; compliance without hybrid targeting can remain too formalistic to address evolving evasion patterns. Their interaction is therefore constitutive rather than secondary^{6,7}.

This point is particularly clear in the maritime and energy domains. The EU's Russia sanctions material explains that the oil price cap functions in coordination with the Price Cap Coalition and that in July 2025 the EU lowered the crude cap from \$60 to \$47.6 per barrel. At the same time, successive packages expanded targeting of vessels involved in shadow-fleet operations, ship-to-ship transfers, identity masking, and related circumvention practices. The 17th package targeted an unprecedented number of such vessels, and the 18th package added further maritime pressure while also deepening the energy-related restrictions. These steps matter analytically because the price cap, vessel measures, and

¹ Ibid.

² European Commission. (2026, January 27). *Real SMEs, real sanctions compliance stories*.

³ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁴ Ibid.

⁵ European Commission, Directorate-General for Trade and Economic Security. (2025, May 8). *European Union, Trade in goods with Russia*.

⁶ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

⁷ Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*.

compliance obligations do not function as substitutes; they function as mutually reinforcing controls. The cap without vessel enforcement is porous, while vessel targeting without service and price-cap enforcement risks simple substitution. Their cumulative value lies in turning Russia's energy-export adaptation into a higher-friction, higher-risk, and more governance-intensive process^{1,2,3}.

The cumulative architecture is also visible in the technology-denial field. Export controls, Common High Priority items, due-diligence rules, corporate compliance systems, partner coordination, and anti-circumvention targeting together create a pressure system that is more consequential than any one export ban standing alone. The Commission's guidance documents and FAQ architecture make clear that the Union has increasingly prioritised enhanced due diligence for operators manufacturing or trading in CHP items, while the Parliament's implementation study argues that circumvention and fragmented enforcement remain central problems. This confirms the report's earlier conclusion that the key issue is no longer simply the existence of lists of prohibited goods, but the quality of closure around the wider technology-service ecosystem. In time-horizon terms, this is crucial because technology denial typically yields only moderate short-term visibility while generating much stronger medium-term and long-term effects through ageing capital stock, reduced quality of substitution, and worsening constraints on industrial and military reproduction. A cumulative reading therefore explains why apparently modest export-control refinements may have significant delayed strategic value^{4,5,6}.

The short-term horizon should be understood primarily as the period of shock, signalling, immediate de-risking, and initial transaction disruption. In this phase, the political and financial dimensions usually dominate because they alter expectations quickly, trigger emergency legal and compliance responses, and generate immediate reassessments of counterparties, jurisdictions, and exposure. Short-term effects are therefore most visible in listings, diplomatic signalling, banking risk reactions, payment disruption, service withdrawal, and abrupt commercial hesitation. Yet short-term visibility should not be confused with total strategic weight. In the Russian case, early macroeconomic stabilisation and partial rerouting did not neutralise the regime; rather, they marked the beginning of a longer contest between restriction and adaptation. The short-term horizon is where sanctions establish credibility, produce first-order friction, and force urgent adjustments. It is not the horizon on which the total value of the sanctions' architecture can be judged^{7,8}.

The medium-term horizon is where cumulative interaction effects become more visible. This is the phase in which trade rerouting encounters higher transaction costs, energy decoupling deepens, legal and compliance systems mature, corporate and state adaptation becomes more structured, and the contest moves from immediate shock to sustained pressure maintenance. It is also the phase in which the quality of sanctions governance becomes more important than the theatricality of new announcements. The European Parliament's implementation study is especially relevant here because it shows that implementation and enforcement in the EU have relied on a decentralised system producing a mosaic of practices across more than 160 designated competent authorities. That means medium-term effectiveness depends not only on the content of sanctions, but on whether guidance, interpretation, monitoring, and enforcement converge sufficiently to reduce exploitable asymmetries. The medium

¹ Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*.

² European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

³ Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*.

⁴ European Commission. (n.d.). *Guidance documents*.

⁵ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

⁶ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

⁷ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

⁸ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

term is therefore the decisive horizon for judging whether the sanctions regime is actually hardening or merely becoming more complicated^{1,2}.

The long-term horizon should be understood as one of capability erosion, investment distortion, technological degradation, institutional thickening, and altered strategic option sets. This is the horizon on which the Union's reduced energy dependence on Russia becomes most significant. According to the Commission's 2026 REPowerEU update, EU dependency on Russian gas fell from 45% at the start of the war to 12% in 2025, while oil imports shrank from 27% at the beginning of 2022 to 2%; Eurostat likewise notes that Russia's share in EU energy imports fell from 27.3% in the first quarter of 2020 to 3.6% in the fourth quarter of 2025. These are not just short-term trade adjustments. They indicate the long-duration restructuring of one of the most important external relationships in the Russian political economy. Long-term sanctions value therefore lies not only in immediate deprivation, but in the cumulative narrowing of future options, the progressive deterioration of replacement quality, and the institutional normalisation of a non-routine European posture towards Russia^{3,4}.

The time-horizon argument also clarifies why adaptation should not be misread as disproof of sanctions relevance. Adaptation is part of the same analytical field as pressure. It may demonstrate resilience, but it may also demonstrate costly substitution, increased opacity, longer logistics, more fragile service chains, heavier dependence on intermediary jurisdictions, and lower-quality technological renewal. Recent analytical work on Russia's sanctions experience makes precisely this point: sanctions imposed substantial costs, but their overall effectiveness was limited where design, timing, and enforcement allowed room for gradual adaptation. This does not negate cumulative pressure. Rather, it shows that the strategic value of sanctions depends on continuous closure, enforcement upgrading, and the prevention of stable workaround ecologies. In other words, adaptation is not evidence that cumulative architecture is irrelevant; it is evidence that cumulative architecture must remain dynamic^{5,6}.

A further interaction effect links coalition coordination with all other dimensions. The practical force of many EU measures depends on coordination with the wider Price Cap Coalition, with G7-aligned export-control regimes, and with external partners who share monitoring and enforcement priorities. The report's earlier methodological premise that EU sanctions must be read within a broader aligned architecture remains highly important here. A measure that is formally narrow in the EU legal order may become much more consequential when mirrored or reinforced across insurance, shipping, financial, and export-control networks beyond the Union. Conversely, gaps in external alignment can sharply reduce the value of otherwise robust EU drafting. Cumulative pressure is therefore not only intra-EU and inter-package; it is also transnational and inter-jurisdictional. This is one reason why the later sanctions architecture increasingly emphasised coordination, implementation, and closure rather than sheer normative proliferation^{7,8}.

At the same time, cumulative architecture does not imply unlimited linear gain from every new addition. Interaction can strengthen the regime, but it can also reveal administrative strain, interpretative overload, private-sector burden, and the risk of diminishing marginal returns. The Parliament's study explicitly warns of fragmentation, contradictory legal interpretations, and the need for better guidance and a more horizontal approach to countering circumvention. The Commission's reliance on an ever more extensive FAQ and guidance system shows that the EU is aware of this problem. The implication is

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

² European Commission. (2026, January 27). *Real SMEs, real sanctions compliance stories*.

³ European Commission. (2026, February 2). *REPowerEU — phase out of Russian energy imports*.

⁴ Eurostat. (n.d.). *EU international trade in goods — latest developments*.

⁵ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

⁶ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

⁷ Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*.

⁸ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

that cumulative pressure works best when added measures increase closure and enforceability, not merely textual density. A sanctions regime that keeps expanding formally while becoming harder to administer may gain legal mass but lose operational sharpness. This is why cumulative architecture must be assessed qualitatively as well as quantitatively^{1,2,3}.

Table 8.1.3-1. Cumulative pressure architecture of the EU sanctions regime against Russia: interaction effects across time horizons

Time horizon	Dominant interaction logic	Main interacting instruments	Principal type of effect	Main limitation
Short term	Shock, signalling, first-order disruption	Listings, diplomatic restrictions, banking restrictions, immediate compliance responses, service withdrawal	Rapid political signalling, transaction hesitation, de-risking, initial commercial friction	Shock absorption, emergency stabilisation, rapid rerouting
Medium term	Closure, reinforcement, adaptive contest	Trade controls, CHP-item controls, due diligence, FAQs, vessel targeting, anti-circumvention tools, Helpdesk-supported compliance	Sustained trade compression, higher transaction costs, narrowing of facilitation channels, better transmission of restrictions	Fragmented implementation, uneven enforcement, intermediary adaptation
Long term	Erosion, institutionalisation, strategic narrowing	Energy decoupling, technology denial, legal criminalisation, compliance normalisation, shadow-fleet targeting, coalition coordination	Capability degradation, reduced renewal quality, lower strategic flexibility, durable European governance posture	Diminishing returns if closure stagnates, persistent external support channels, coalition fatigue

Authorship: prepared by the author on the basis of official EU institutional materials

Sources:

- Council of the European Union. (2025, February 24). *Three years of Russia's full-scale invasion and war of aggression against Ukraine: EU adopts its 16th package of economic and individual measures*.
- European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.
- Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*.
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.
- European Commission. (2026, January 27). *Real SMEs, real sanctions compliance stories*.
- European Commission. (2026, February 2). *REPowerEU — phase out of Russian energy imports*.
- Eurostat. (n.d.). *EU international trade in goods — latest developments*.
- European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.
- Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*.

Table 8.1.3-1 clarifies the principal analytical point of this subsection: the sanctions regime works through a sequenced interaction of effects, not through a single universal mechanism. In the short term, the regime signals, shocks, and complicates. In the medium term, it closes loopholes, hardens transmission, and turns adaptation into a contested and increasingly costly field. In the long term, it degrades capabilities, restructures dependence, and institutionalises a durable European governance posture towards Russia. Different instruments carry different weights at each stage, but their strategic significance lies precisely in their interaction. The total effect is therefore cumulative both across

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

² European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

³ European Commission. (n.d.). *Guidance documents*.

instruments and across time. That is why any serious assessment of EU sanctions against Russia must treat time horizon as part of the mechanism itself, not as a secondary contextual variable.

The resulting judgement is clear. The EU sanctions regime has been strategically more consequential as a cumulative pressure architecture than as a collection of isolated coercive acts. Its most meaningful results have emerged where political signalling, economic denial, legal structuring, hybrid disruption, and compliance transmission have reinforced one another over time. This does not mean that the regime has solved the problem of adaptation, nor that every additional measure automatically adds equal value. It does mean, however, that the overall effectiveness of the regime cannot be understood through atomised assessment. The next subsection should therefore move from cumulative mechanics to an integrated strategic judgement on what this architecture has meant in practice during 2022–2025, even in the absence of a rapid coercive breakthrough.

8.1.4. Overall Judgement on the Strategic Value of the Current Regime (2022–2025)

The overall strategic value of the current EU sanctions regime against Russia during the period 2022–2025 lies in the fact that it has already developed into a durable instrument of European governance and sustained pressure, even though it has not produced a rapid coercive breakthrough in the narrow sense of forcing an immediate reversal of Russian foreign policy. This conclusion follows directly from the comparative and cumulative analysis developed in the previous subsections. If the regime is assessed exclusively by the criterion of immediate compellence, the verdict will necessarily appear disappointing. However, if it is assessed according to the wider functions, it has demonstrably performed—degrading capabilities, narrowing strategic options, hardening coalition discipline, reinforcing legal and compliance infrastructures, and preventing the normalisation of wartime relations—then its strategic value is considerably more substantial. The EU’s own framing supports this broader understanding: the measures are explicitly designed to maximise pressure on Russia and diminish its ability to wage war, not merely to produce a single instant behavioural concession. A serious integrated judgement must therefore distinguish between limited short-term coercion and significant medium-term and long-term strategic utility. On that broader test, the regime should be judged as strategically valuable, durable, and already institutionally entrenched.

A first reason for this judgement is the scale and continuity of the regime itself. By October 2025, the EU had adopted nineteen packages of sanctions against Russia, and the Consilium sanctions pages describe these measures as part of a continuing effort to maximise pressure on Russia and use all available tools to diminish its ability to wage its war of aggression. This is not the profile of an improvised or short-lived response. It is the profile of a policy instrument that has been repeatedly renewed, expanded, adapted, and hardened over time. The sequence of packages also shows that the regime did not plateau after its initial shock phase. On the contrary, it continued to evolve in 2025 through measures targeting vital sectors of the Russian economy, shadow-fleet structures, banking channels, energy revenues, and the military-industrial base. A sanctions regime that retains political support, legal update capacity, and operational extensibility over such a period should be regarded not as a temporary symbolic gesture, but as a durable governing instrument within the EU’s external policy toolkit.

A second reason is that the regime has moved well beyond declaratory politics and has become embedded in institutional practice. The Commission’s sanctions resources pages show that the EU now maintains a consolidated sanctions helpdesk, a sanctions map, a financial sanctions list, whistleblower tools, continuously updated FAQs, and a growing body of Russia-specific guidance documents. DG FISMA also states that it monitors implementation and enforcement across Member States and supports national authorities and operators in the interpretation and application of sanctions rules. These are not incidental support functions. They are the administrative infrastructure through which restrictive measures become repeatable, governable, and economically consequential. A regime that acquires such administrative depth is no longer dependent on one-off political mobilisation alone. It

becomes capable of reproducing itself through law, guidance, monitoring, and compliance routines. In strategic terms, that is one of the clearest signs that the sanctions architecture has become durable.

This institutional maturation matters because the strategic value of sanctions is not reducible to whether they immediately change the target's headline policy. Sanctions can also be strategically valuable if they alter the structure within which the target state operates, degrade its access to markets and technologies, and increase the administrative and commercial costs of maintaining wartime activity. The Commission's Russia sanctions pages state that the post-February 2022 expansion was intended to weaken Russia's economic base, deprive it of critical technologies and markets, and significantly curtail its ability to wage war. That is already a wider and more realistic objective set than simple compellence. It aligns closely with the analysis developed in this report, especially in Parts Three, Six, and Seven, where the strongest findings concerned degradational pressure, anti-circumvention closure, and compliance transmission. Judged against those functions, the regime has already delivered substantial strategic value even in the absence of a quick diplomatic reversal by Moscow.

The economic evidence reinforces this judgement. Official Commission trade data show that EU-Russia trade in goods had fallen to EUR 67.5 billion in 2024, with EU imports from Russia at EUR 36.0 billion and EU exports to Russia at EUR 31.5 billion. This contraction reflects not one isolated measure, but the cumulative compression of a relationship that before the war had been far larger, more diversified, and more structurally significant. Such compression does not by itself prove imminent political change in Russia. But it does demonstrate that the EU has succeeded in transforming its sanctions regime into a material instrument affecting trade flows, market access, technological interfaces, and the broader external operating conditions of the Russian economy. A regime that produces this degree of restructuring should not be described as merely expressive. It has already generated strategic effects in the terrain most relevant to sustained pressure: capabilities, revenues, and long-term reproduction conditions.

The energy track gives the same conclusion even more clearly. The Commission's REPowerEU material states that the EU reduced its dependence on Russian gas from 45% at the start of the war to 12% in 2025, while oil imports from Russia fell from 27% at the beginning of 2022 to 2%. The same material states that the Commission intends to table a legislative proposal in early 2026 to ban oil imports from Russia as soon as possible and no later than 2027. These figures and policy commitments indicate more than temporary crisis management. They point to a structural strategic reorientation in which one of the most sensitive axes of EU-Russia interdependence has been progressively dismantled and subjected to a longer-term phase-out logic. From the standpoint of strategic value, this is highly significant. It means that the sanctions regime has already helped convert emergency response into durable geoeconomic reconfiguration. Even where Russia continues to export energy elsewhere, the prior energy relationship with the EU has been fundamentally weakened and placed on a trajectory of further contraction.

The 2025 packages also demonstrate that the regime has retained its offensive strategic logic rather than merely defending its earlier achievements. The 17th package targeted Russia's access to key military technology and heavily targeted the shadow fleet and energy revenues. The 18th package struck at Russia's energy, banking, and military sectors, lowered the oil price cap to USD 47.6 per barrel, extended vessel-related restrictions, and imposed a transaction ban on Nord Stream 1 and 2. The 19th package, according to the Commission, substantially increased pressure on the Russian war economy by targeting energy, finance, the military-industrial base, special economic zones, and war profiteers; the broader Consilium Ukraine overview also notes that it included a ban on imports of Russian LNG, a port access ban on more shadow-fleet vessels, and a ban on transactions with additional banks. These developments show that by late 2025 the regime was still capable of strategic deepening. Its value therefore lies not only in what it had already done, but in its demonstrated capacity to keep raising pressure in new and more targeted forms.

At the same time, the integrated judgement must remain disciplined. The Brookings analysis by Itskhoki and Ribakova argues that the sanctions imposed after February 2022, although unprecedented in scale

and scope, had so far failed to significantly alter Russia's behaviour. That conclusion is important and should not be evaded, because it directly limits any claim of full strategic success. Yet the same analytical discussion also helps clarify why this does not amount to strategic nullity. A large adaptive authoritarian state with substantial coercive capacity, resource rents, and external intermediary channels is not an easy target for rapid policy compellence. In such a case, the strategic value of sanctions lies less in instant reversal than in sustained degradation, narrowing of external options, and the progressive worsening of the terms under which continuation remains possible. The absence of rapid coercive breakthrough is therefore a real limitation, but not an adequate summary of the regime's overall utility.

This distinction is crucial because the phrase "strategic value" is broader than "coercive success". A policy instrument can be strategically valuable even if it does not by itself secure the sender's maximal political objective. In the Russian case, the sanctions regime has helped preserve EU unity, encode a durable non-normalisation position, reduce key dependencies, complicate Russian adaptation, and institutionalise a governance structure capable of sustaining pressure over time. The European Parliament's 2024 briefing on EU sanctions describes them as a key foreign and security policy instrument whose declared purpose is to uphold the international security order while encouraging targeted countries to change their behaviour. That formulation captures the dual nature of strategic value especially well. Sanctions are not only a behavioural lever. They are also a governance instrument through which the EU structures its external response to aggression. In the present case, that structuring function has already been firmly established.

Another reason to regard the regime as strategically valuable is its contribution to path dependency in EU policy. Once sanctions move from episodic reaction to institutionalised practice, they create legal, administrative, political, and commercial expectations that are not easily reversed. Operators build screening systems, banks internalise control routines, authorities develop interpretative practice, and coalition politics becomes organised around maintaining, updating, and enforcing the regime. The helpdesk, consolidated FAQs, monitoring role of DG FISMA, and increasingly dense Russia-specific guidance all indicate that this process is well under way. This path dependency matters because durable sanctions are not maintained by rhetoric alone. They are maintained by the formation of bureaucratic habits, legal routines, and market expectations that make simple rollback more difficult. In that sense, the EU sanctions regime has already become a durable component of European external governance rather than an exceptional policy episode.

The same point can be expressed from the Russian side. Strategic value exists when the target can no longer interact with Europe on the terms that prevailed before the war. The Consilium materials state that the EU measures are designed to weaken Russia's economic base, deprive it of critical technologies and markets, and significantly curtail its ability to wage war. The significance of this wording is that it describes sanctions not as a protest, but as a structured intervention into Russia's external operating environment. If, by late 2025, Russia faced a smaller and more restricted European trade relationship, tighter financial and transport constraints, more elaborate anti-circumvention scrutiny, and a progressively thicker sanctions-governance framework, then the regime had already changed the strategic terrain even without changing the Kremlin's core policy choices outright. That is precisely the kind of durable pressure architecture that warrants a positive—though qualified—strategic judgement.

A further element of strategic value lies in the regime's capacity to interact with wider coalition tools. The oil price cap, maritime restrictions, export-control coordination, and alignment with broader partner efforts mean that EU measures are not operating in a vacuum. Their weight often exceeds what would be visible from EU law alone because they are embedded in a wider network of banking, shipping, insurance, and export-control practices. This external alignment is especially relevant in assessing long-duration pressure. A sanctions regime that is coalition-compatible and administratively exportable is strategically more valuable than one that remains isolated within a single legal order. The Russia case has repeatedly shown that EU strategic value is magnified when restrictive measures form part of a broader aligned architecture rather than a strictly autonomous one. That coalition dimension further

supports the conclusion that the regime should be seen as a durable instrument of governance and sustained pressure rather than a narrowly national or purely symbolic project.

However, an integrated judgement must also specify the limits of this value. The regime has not eliminated Russian adaptation, nor has it fully closed intermediary channels, nor has it secured the kind of rapid behavioural reversal that would satisfy the strictest coercive standard. The continuing need for updated FAQs, enhanced due diligence, vessel targeting, and fresh anti-circumvention measures shows that the contest remains dynamic. Strategic value therefore does not mean strategic finality. It means that the regime has already proven itself worth maintaining and refining because it has generated durable pressure and governance capacity under conditions where rapid coercion was structurally unlikely. The correct judgement is thus neither triumphalist nor dismissive. It is that the current regime has high strategic utility, but as an instrument of attritional constraint, cumulative degradation, and policy endurance rather than as a self-sufficient mechanism of immediate coercion.

Table 8.1.4-1. Integrated judgement on the strategic value of the EU sanctions regime against Russia (2022–2025)

Criterion of judgement	What the record shows	Strategic implication	Overall assessment
Immediate coercive breakthrough	No rapid reversal of Russian foreign policy or war policy	Limits any claim of full coercive success	Limited
Durability of policy	19 sanctions packages by October 2025 and continuing renewals/updates	The regime has become a stable EU policy instrument rather than a temporary response	Strong
Institutionalisation	Helpdesk, sanctions map, consolidated list, FAQs, guidance, monitoring and enforcement support by DG FISMA	Sanctions are embedded in administrative and legal practice	Strong
Material pressure	Major contraction of EU-Russia trade and sustained tightening in energy, finance, technology, and maritime areas	The regime generates real degradational and restrictive effects	Strong
Strategic extensibility	17th–19th packages deepened pressure on shadow fleet, energy, banking, military-industrial base, LNG, and special economic zones	The regime remains scalable and adaptive	Strong
Overall strategic value	Limited narrow coercion, but strong sustained pressure and governance value	Best understood as a durable instrument of European governance and cumulative constraint	High, but qualified

Authorship: prepared by the author on the basis of official EU institutional materials and other works

Sources:

- Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.
- Council of the European Union. (n.d.). *Russia's war against Ukraine*.
- European Commission. (n.d.). *Overview of sanctions and related resources*.
- European Commission. (2025, June 11). *Sanctions implementation*.
- European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.
- Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.
- Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*.
- European Commission. (2026, February 2). *REPowerEU — phase out of Russian energy imports*.
- Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*.
- Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*.

The integrated conclusion of this subsection is therefore clear. During 2022–2025, the EU sanctions regime against Russia already acquired high strategic value as a durable instrument of European governance and sustained pressure, even though it did not achieve a rapid coercive breakthrough in the narrow sense. Its value has lain in degrading capabilities, restructuring dependencies, preserving coalition discipline, hardening implementation, and establishing a durable non-normalisation framework for EU-Russia relations. This judgement also sets up the logic of the next major section. Once the current regime is recognised as strategically valuable but not all-powerful, the analysis must turn to the structural limits of sanctions-based coercion itself—above all the limits involved in trying to coerce a large adaptive authoritarian state with significant redistributive and repressive capacity.

8.2. Structural limitations of sanctions-based coercion

8.2.1. Limits of Direct Coercion against a Large Adaptive Authoritarian State

The first structural limit of sanctions-based coercion is that direct coercion is the most demanding and therefore the least easily achieved type of sanctions success. To compel a target state means more than imposing costs on it; it means forcing a politically meaningful change in behaviour within a relatively limited time horizon. In the Russian case, this would imply that sanctions alone should have been capable of inducing a substantial revision of core foreign-policy and war-related decisions. That is an exceptionally demanding benchmark. The European Commission itself defines EU sanctions not as punitive instruments, but as measures intended to bring about a change in harmful policies or activities, while its Russia-specific sanctions overview states that the post-February 2022 packages aimed at weakening Russia's economic base, depriving it of critical technologies and markets, and significantly curtailing its ability to wage war. This formulation already suggests a broader and more realistic logic than instant compellence. The problem arises when public or political discourse collapses this broader strategic design into the narrow question of whether sanctions have already “forced” Russia to reverse course. Against a large adaptive authoritarian state, that expectation is analytically inflated from the outset^{1,2,3}.

The second limit is Russia's sheer scale as a target. Large states with extensive territory, sizeable domestic markets, strategic natural resources, and a broad coercive apparatus are intrinsically harder to coerce from the outside than smaller, more externally dependent, and more institutionally fragile targets. This is especially true when the target remains integrated into global commodity markets and can continue to monetise at least part of its export base even under sanctions. The Brookings analysis by Itskhoki and Ribakova argues that the impact of the post-2022 sanctions has been mixed, and explicitly notes that sanctions are not a guaranteed solution to end wars or alter a country's behaviour. The same paper also emphasises that, in 2022, sanctions design still allowed energy exports to continue because of Russia's integration into global commodity markets. This is central to the present subsection. A state that retains the ability to export key commodities, redirect trade, and generate revenue under altered but still functional external conditions does not face the kind of immediate systemic suffocation that would make rapid coercion likely. Instead, it faces a long-duration contest over costs, constraints, and future options^{4,5}.

¹ European Commission. (n.d.). *Overview of sanctions and related resources*.

² European Commission. (n.d.). *Sanctions adopted following Russia's military aggression against Ukraine*.

³ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

⁴ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

⁵ Smeets, M. (2018). *Can economic sanctions be effective?* World Trade Organization Working Paper ERSD-2018-03.

A third limit follows from regime type. Authoritarian systems are less dependent on open societal consent than democratic ones and therefore possess a wider repertoire for insulating decision-makers from external pressure. Christian von Soest's analysis of authoritarian responses to sanctions pressure is directly relevant here. He argues that authoritarian governments represent particularly problematic targets because they can shield themselves from external pressure more easily than democratic counterparts can, precisely because of their lower degree of political competition, participation, rule of law, and their considerable control over public discourse. The same paper stresses that authoritarian regimes are harder to influence from the outside and are better able to isolate ruling elites from social costs. This means that even where sanctions generate genuine economic pain, the transmission from social suffering to political concession is uncertain and often weak. A regime with broad repressive powers does not have to respond to sanctions the way an electorally exposed government would. It can contain, redirect, or selectively absorb pressure rather than negotiating under it^{1,2}.

A fourth limit is the regime's capacity for internal redistribution. Sanctions do not strike all actors equally, and authoritarian systems often retain greater freedom than democracies to decide who will bear the costs. Von Soest's table of internal means of "pressure proofing" explicitly identifies redistribution to political constituencies, elites, supportive regions, and other regime-linked actors as a central authoritarian strategy. This matters because direct coercion depends on pain reaching the decision-making core in a politically meaningful way. If the regime can move resources towards strategic sectors, security institutions, loyal business circles, or politically important social groups while shifting losses onto diffuse or politically marginal populations, then sanctions may still hurt the country without compelling the leadership. In that sense, redistribution acts as a coercion buffer. Russia's size, state capacity, and war-oriented fiscal prioritisation have increased the plausibility of exactly this mechanism. As a result, sanctions pressure does not automatically convert into elite fracture or policy reversal. It may instead be managed through selective compensation and asymmetric burden shifting^{3,4}.

A fifth limit lies in the relationship between sanctions and repression. Sanctions are often expected to weaken authoritarian control by increasing social grievances, but the empirical literature is much more cautious. Von Soest notes that there is solid empirical evidence that sanctions, albeit unintentionally, contribute to increased human rights violations and state repression in targeted regimes. His paper further explains that authoritarian regimes tend to maintain power through a mixture of repression, co-optation, and legitimisation, and that they regularly step up repression to intimidate would-be protesters when faced with external pressure. This is highly relevant to Russia. A regime that reacts to external pressure by intensifying censorship, propaganda, policing, and coercion does not become more easily coerced in the short term; it may become harder to dislodge politically even while becoming more brittle structurally. Sanctions can therefore increase stress without producing direct concession. In other words, the existence of hardship is not enough; the political transmission channel matters, and under authoritarian conditions that channel is often blocked or violently suppressed^{5,6}.

A sixth limit is discursive and political rather than purely economic. Sanctions do not only alter material conditions; they also enter the regime's legitimisation strategy. Grauvogel and von Soest argue that sanctions can strengthen authoritarian rule if the regime manages to incorporate their existence into its narrative of legitimacy. Von Soest's later work similarly refers to rally-round-the-flag effects, nationalist discourse, and the framing of sanctions as imperialist attacks on the whole country rather than as

¹ Ibid.

² von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

³ Ibid.

⁴ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

⁵ von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

⁶ Grauvogel, J., & von Soest, C. (2014). *Claims to legitimacy count: Why sanctions fail to instigate democratisation in authoritarian regimes*. *European Journal of Political Research*, 53(4), 635–653.

targeted restrictions aimed at state behaviour. This mechanism is not universal, but it is crucial in the Russian case. A highly centralised information environment can reinterpret sanctions as proof of external hostility, thereby reinforcing the regime's claim that it is defending national sovereignty against a hostile West. Under such conditions, sanctions may still damage capabilities while at the same time reducing the immediate political probability of concession. That paradox is one of the key reasons why direct coercion is limited: the target may convert external pressure into internal narrative capital^{1,2}.

A seventh limit is external adaptation. Even severe sanctions do not operate against the target in a closed system. The European Parliament's 2025 state-of-play note on EU sanctions against Russia stresses that the unprecedented scale and scope of the measures created new implementation challenges and required renewed efforts to close loopholes and prevent circumvention, including through reinforced cooperation with third countries and measures against Russia's shadow fleet. This is a crucial admission. A large target state can partially offset pressure through re-routing, alternative suppliers, shadow logistics, new financial channels, proxy structures, and third-country facilitators. The existence of such channels does not nullify sanctions, but it reduces the chance of rapid coercive success. Instead of a simple sender-target interaction, the regime becomes a multi-actor struggle over enforcement, evasion, and adaptation. Under these conditions, sanctions are more likely to degrade over time than to compel quickly. Direct coercion becomes especially difficult when the target can still preserve a minimum external operating space^{3,4}.

An eighth limit lies on the sender side, inside the EU and the wider coalition. Sanctions are often discussed as if they were imposed by a unitary actor with perfect control over implementation, but the European Parliament's 2023 study on implementation and monitoring shows that EU sanctions enforcement has traditionally relied on a decentralised system, resulting in a mosaic of practices across the Union involving more than 160 designated competent authorities. The same study warns that this poses risks of practical confusion and contradictory legal interpretations across Member States. This matters for direct coercion because compellence requires exceptionally high-quality and rapid transmission. If implementation is uneven, guidance still evolving, and enforcement capacity distributed asymmetrically, the pressure that reaches the target will often be slower, leakier, and more fragmented than the legal texts imply. Direct coercion is therefore constrained not only by Russian resilience but also by the institutional manageability of the sanctions' regime itself. A regime can still be strategically valuable under such conditions, but it becomes less likely to produce fast, sharp, and unambiguous coercive outcomes^{5,6}.

A ninth limit concerns time. Direct coercion presumes that costs will accumulate faster than the target's ability to absorb, redistribute, narrate, and circumvent them. Yet the evidence from Russia points in the opposite direction. The Brookings paper stresses both that sanctions imposed substantial costs and that their impact remained mixed; the 2023 EPRS briefing similarly noted that, although sanctions had sent a strong signal, degraded Russian military capabilities, and were asphyxiating parts of the economy and energy sector, many experts warned that the impact would not be severe enough to limit Russia's ability to wage war in the near term. These are not contradictory findings. They indicate that sanctions may be effective in degradational and coordinative terms while still underperforming in immediate coercive terms. This temporal distinction is essential. Large authoritarian states do not need to "win" economically to resist coercion; they only need to remain politically and organisationally intact for long

¹ Ibid.

² von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

³ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁴ European Commission. (n.d.). *Guidance documents*.

⁵ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

⁶ European Commission. (2025, June 11). *Sanctions implementation*.

enough to avoid concession. Russia's resilience has therefore not disproved sanctions pressure, but it has sharply exposed the limits of direct sanctions-based compellence^{1,2}.

The analytical conclusion is therefore precise. Sanctions can impose heavy costs on Russia, weaken its economic base, narrow its technological options, and progressively reduce the quality of its external operating environment, but these effects do not translate mechanically into rapid political reversal. The core reason is structural. Russia is a large, resource-rich, globally connected, authoritarian state with substantial repressive capacity, significant room for internal redistribution, and a continuing ability to exploit external intermediary channels. The EU's sanctions policy recognises this indirectly by continuously expanding not only the lists of restrictions but also the implementation, anti-circumvention, and guidance architecture around them. That is the behaviour of a coalition confronting a hard target, not a fragile one. The sanctions regime therefore remains strategically meaningful, but its most realistic contribution lies in attritional constraint and cumulative degradation rather than in short-term direct coercion. This is the central limit that must frame the rest of Part Eight^{3,4,5}.

Table 8.2.1-1. Why direct coercion is structurally limited against a large adaptive authoritarian state

Limiting factor	Mechanism	Why it weakens direct coercion in the Russian case	Relative significance
Large state scale	Size, territorial depth, domestic market, coercive apparatus	Makes rapid external strangulation improbable	High
Resource and commodity base	Continued revenue generation through strategic exports	Preserves state income and policy room for manoeuvre	High
Authoritarian insulation	Lower dependence on electoral consent and stronger control over discourse	Weakens transmission from social pain to policy concession	High
Internal redistribution	Reallocation of costs and benefits across elites, sectors, and regions	Protects politically relevant groups from maximum pressure	High
Repression capacity	Censorship, policing, intimidation, coercive containment	Blocks protest-to-concession pathways	High
Legitimising narrative	Reframing sanctions as foreign hostility	Converts external pressure into nationalist mobilisation	Medium-High
External adaptation channels	Re-routing, third-country facilitation, shadow logistics	Reduces immediate economic closure	High
Sender-side fragmentation	Uneven enforcement, administrative complexity, interpretative variation	Dilutes speed and sharpness of sanctions transmission	Medium-High

Authorship: prepared by the author on the basis of official EU institutional materials

Sources:

- European Commission. (n.d.). *Sanctions adopted following Russia's military aggression against Ukraine*.
- European Commission. (n.d.). *Overview of sanctions and related resources*.
- European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*.
- European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.
- Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*.
- von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*.

¹ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

² European Parliament. (2023, March). *EU sanctions on Russia: Overview, impact, challenges*.

³ European Commission. (n.d.). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁴ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁵ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

- Grauvogel, J., & von Soest, C. (2014). *Claims to legitimacy count: Why sanctions fail to instigate democratisation in authoritarian regimes*.

8.2.2. Adaptation, Re-Routing, and External Intermediary Channels

The second structural limitation of sanctions-based coercion lies in the target state's capacity to adapt externally through re-routing, intermediary jurisdictions, service fragmentation, and proxy commercial structures. In the Russian case, this has been one of the central reasons why sanctions have generated strong degradational pressure without producing a rapid coercive breakthrough. Once the original EU-Russia commercial interface was narrowed, the strategic contest did not end; it changed form. Trade, finance, logistics, insurance, registration, and technology procurement began to migrate into more complex and less transparent channels. This means that sanctions no longer operated primarily as a direct block on bilateral exchange, but increasingly as a contest over whether substitute channels could be identified, scaled, and protected. The result was a shift from a model of immediate closure to one of continuous restriction, monitoring, and anti-circumvention pressure. In such a setting, sanctions may still be effective, but they function less as a single decisive blow and more as a long-duration struggle over the cost and viability of adaptation^{1,2,3}.

This point is visible in the EU's sanctions narrative. The European Parliament's 2025 state-of-play briefing notes that the unprecedented scale and scope of EU sanctions created new implementation challenges, and that Member States and EU institutions renewed efforts to improve enforcement and close loopholes to prevent circumvention. The same briefing explicitly identifies the shadow fleet as an instrument used by the Russian government to circumvent sanctions and continue selling oil above the price cap worldwide. This is analytically decisive. It means that, by 2024–2025, the problem was no longer simply whether the EU had adopted sufficiently broad sanctions on paper. The problem had become whether those sanctions could remain effective once Russia and its partners reorganised trade and logistics around alternative routes, opaque ownership patterns, and third-country nodes. In other words, circumvention did not appear at the margins of the regime; it moved to its centre. That is why adaptation and re-routing must be treated as structural constraints on direct coercion rather than as secondary implementation details^{4,5}.

A first mechanism of adaptation is trade re-routing through third countries. The European Parliament's 2025 briefing states that the EU has stepped up sanctions' diplomacy and that the EU Sanctions Envoy has led intensive outreach towards jurisdictions at risk of facilitating sanctions evasion, including Türkiye, Central Asia, the South Caucasus, China, Vietnam, and the United Arab Emirates. This is a very important institutional signal. It shows that EU policymakers no longer assume that sanctions effectiveness can be secured solely inside the Union's customs and financial perimeter. Instead, the regime increasingly depends on what happens beyond that perimeter, in the intermediary spaces through which goods, components, finance, and services may be redirected. A sanctions architecture that must actively manage the behaviour of third-country transit, trading, and financial jurisdictions is already operating in a more difficult environment than a simple bilateral embargo model presumes. The externalisation of trade flows into third-country channels therefore weakens the directness of coercion, even if it does not eliminate cumulative pressure^{6,7}.

A second mechanism is the reorganisation of exports and shipping through the shadow fleet and related maritime service ecosystems. The Council's 17th package press release states that the Union targeted

¹ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

² European Commission. (n.d.). *Sanctions adopted following Russia's military aggression against Ukraine*.

³ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

⁴ Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*.

⁵ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁶ Ibid.

⁷ European Commission. (2024, September 24). *Sanctions vis-à-vis Russia: Commission publishes G7 Industry Guidance on preventing sanctions evasion*.

189 additional vessels from third countries, bringing the total number of designated vessels at that point to 342, and explicitly said that these restrictions were intended to dismantle the operational capacity of the shadow fleet and thereby reduce the oil revenues supporting Russia's war economy. The Council's 19th package press release then added 117 more vessels, bringing the total to 557, and also introduced a ban on reinsuring vessels belonging to the shadow fleet. These measures matter because they show that Russia's adaptation in oil exports was not merely a commercial redirection; it required an entire support structure involving tankers, flags, insurers, registries, operators, and facilitators. The strategic implication is clear: where a sanctioned state can build or access an alternative maritime infrastructure, the sanctions regime must escalate from commodity restrictions to network disruption. Direct coercion becomes weaker because the target is no longer dependent on the original shipping and service channels alone^{1,2}.

A third mechanism is facilitation by actors located outside Russia itself. The 17th package text is especially revealing here because it did not limit itself to vessels. It also imposed asset freezes and bans on making funds available to actors enabling the operation of the shadow fleet, including entities from the United Arab Emirates, Türkiye and Hong Kong, as well as an important insurer of the Russian oil shipping industry. The 19th package went further by targeting Litasco Middle East DMCC in the UAE, as well as maritime registries providing false flags to shadow-fleet vessels. These are not marginal details. They demonstrate that sanctions circumvention increasingly depends on a transnational ecosystem of intermediaries rather than on direct Russia-EU transactions alone. Once this happens, the sanctions regime ceases to be purely sender-target in structure. It becomes triangular, networked, and jurisdictionally fragmented. That structural change matters because every additional layer of intermediaries lowers the immediacy of pressure on the target and increases the administrative burden on the sender coalition^{3,4}.

A fourth mechanism concerns technology and battlefield-relevant components, where re-routing often takes the form of re-export rather than direct shipment. The European Parliament's 2025 briefing notes that the EU's Common High Priority items list currently includes 50 items and supports due diligence and targeted anti-circumvention actions by third-country authorities under G7 guidelines. The Commission's July 2025 FAQ on enhanced due diligence for operators manufacturing or trading in CHP items states explicitly that the purpose of the measure is to respond to the re-exportation of such items and to give national competent authorities a tool to curb circumvention through third countries. This is a major admission by the EU system itself. It recognises that the challenge is not only the original export from the Union, but the downstream diversion and re-export chain. In practical terms, this means that the effectiveness of export controls depends not simply on what leaves the EU customs territory, but on what happens to goods after they enter intermediary jurisdictions. That greatly reduces the plausibility of rapid direct coercion and pushes the regime towards continuous due diligence, contractual controls, and risk-based monitoring^{5,6,7}.

A fifth mechanism is service fragmentation. Even where a single operator withdraws, the sanctioned trade may continue through a chain of smaller intermediaries, brokers, online sellers, logistics providers, and repackaging entities. Recent economic research on intermediary online firms is relevant here because it shows that, after the invasion, sales to Russia by global brands dropped substantially but not absolutely, and that intermediaries helped sustain a residual commercial presence where legal and

¹ Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

² Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

³ Ibid.

⁴ Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

⁵ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁶ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items: Frequently asked questions*.

⁷ European Commission. (2024, February 22). *List of common high priority items*.

reputational constraints deterred direct exposure. This matters because it captures a more general sanctions dynamic. Restrictive measures may substantially reduce direct trade, yet not eliminate commercial access if intermediary layers emerge that are willing to absorb legal, financial, or reputational risk. Such fragmentation makes enforcement more difficult because it multiplies the number of actors involved and blurs the distinction between direct exporter, marketplace, reseller, and logistics facilitator. In strategic terms, it means that adaptation may proceed not only through states and large firms, but also through decentralised commercial micro-channels^{1,2}.

The oil sector provides perhaps the clearest empirical example of how adaptation does not remove pressure but changes its form. A recent *Energy Economics* study concludes that the volume of Russian crude exports remained broadly stable after the invasion and sanctions, but that revenues declined markedly, exports shifted towards Asia, shipping distances increased, and substantial price discounts emerged. This is an analytically important result. It shows that sanctions did not simply “fail” because Russia continued exporting oil. Rather, they forced Russia to do so on less favourable terms, through longer and more complex routes, at lower realised prices, and with heavier reliance on vulnerable maritime infrastructure. The same logic undercuts simplistic arguments on both sides: it was not full strangulation, but neither it was business as usual. What emerged instead was a classic long-duration sanctions contest in which volumetric resilience coexisted with lower efficiency, greater opacity, and reduced revenue yield^{3,4}.

This is why adaptation, re-routing, and intermediary facilitation transform the sanctions regime into a long-duration contest rather than a single coercive event. The sender coalition must repeatedly identify new circumvention pathways, update legal categories, expand due-diligence expectations, pressure third countries, and target enablers in shipping, insurance, registry, banking, and crypto. The Commission’s circumvention and due-diligence FAQs, the 2023 operator guidance, the 2024 G7 industry guidance, and the specific 2025 CHP due-diligence FAQ all show that the EU has progressively moved in exactly this direction. This is the behaviour of a sanctions regime that recognises adaptation as structurally normal rather than exceptional. The implication is that sanctions effectiveness increasingly depends not on the one-off breadth of restrictions, but on the speed and quality with which loopholes are identified and closed. The coercive horizon therefore lengthens. Pressure remains real, but it becomes more attritional, more technical, and more dependent on institutional stamina^{5,6,7,8}.

The analytical conclusion is therefore straightforward. Adaptation, re-routing, and external intermediary channels do not prove that sanctions against Russia are ineffective. What they prove is that sanctions against a large adaptive authoritarian state cannot remain effective unless they evolve from static prohibitions into dynamic anti-circumvention systems. These channels reduce the probability of quick direct coercion because they preserve a partial external operating space for the target. At the same time, they often increase transaction costs, reduce revenue quality, lengthen supply chains, and create new vulnerabilities that can themselves be targeted. The result is not a nullification of sanctions, but a transformation of their logic. Under these conditions, sanctions operate less as immediate compellence and more as cumulative attritional pressure. That is why the EU’s later sanctions packages, guidance architecture, and third-country outreach should be interpreted as evidence not of sanctions failure, but

¹ Avdeenko, A., Kaiser, M., Kis-Katos, K., & Reher, L. (2026). *Sanctions, sales, and stigma: Intermediary online firms’ market role in sustaining trade*. *Journal of International Economics*, 159, 104197.

² European Commission. (2024, February 19). *Guidance on due diligence*.

³ Babina, T., Hilgenstock, B., Itskhoki, O., Mironov, M., Ribakova, E., & Shapoval, N. (2026). *Russian oil exports under international sanctions*. *Energy Economics*, 153, 109006.

⁴ Council of the European Union. (2025, May 20). *Russia’s war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁵ European Commission. (2023, September 7). *Sanctions: Commission publishes guidance to help European operators assess sanctions circumvention risks*.

⁶ European Commission. (2024, September 24). *Sanctions vis-à-vis Russia: Commission publishes G7 Industry Guidance on preventing sanctions evasion*.

⁷ European Commission. (2024, December 11). *Circumvention and due diligence*.

⁸ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items: Frequently asked questions*.

of the structural form that sanctions enforcement must take against a target of Russia's size and adaptability^{1,2,3}.

Table 8.2.2-1. Main adaptation channels reducing the direct coercive effect of sanctions against Russia

Adaptation channel	How it works	Why it weakens direct coercion	What kind of EU response has emerged
Third-country trade re-routing	Goods and components move through intermediary jurisdictions before reaching Russia	Preserves access to inputs and blunts immediate closure	Sanctions diplomacy, G7 guidance, intensified due diligence, outreach to high-risk jurisdictions
Re-export of CHP and sensitive goods	Battlefield-relevant items are diverted or re-exported from third countries	Weakens the direct impact of export controls	Common High Priority list, Article 12gb due-diligence obligations, operator FAQs
Shadow-fleet shipping	Non-EU vessels, deceptive shipping practices, false flags, and service evasion sustain oil exports	Preserves energy-export channels and revenue flows	Vessel designations, port access bans, service bans, reinsurance bans
Third-country facilitators	Shipping firms, registries, insurers, traders, banks, crypto actors enable sanctions evasion	Creates transnational support structures outside the original sender-target dyad	Listings of enablers, banking restrictions, crypto-related designations, pressure on registries
Commercial fragmentation	Intermediaries, brokers, online sellers, and logistics chains sustain residual trade	Multiplies enforcement points and obscures responsibility	Enhanced compliance expectations, red-flag screening, risk-based due diligence

Authorship: prepared by the author on the basis of official EU institutional materials and other works

Sources:

- European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.
- European Commission. (2024, December 11). *Circumvention and due diligence*.
- European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items: Frequently asked questions*.
- Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.
- Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.
- Babina, T., Hilgenstock, B., Itkhoki, O., Mironov, M., Ribakova, E., & Shapoval, N. (2026). *Russian oil exports under international sanctions*. *Energy Economics*, 153, 109006.

8.2.3. Internal Constraints within the EU and the Coalition

A third structural limit of sanctions-based coercion lies not in Russia's adaptive capacity alone, but within the sender coalition itself. Sanctions are often discussed as though the EU and its partners form a perfectly unified and frictionless coercive actor. In reality, the sanctions regime is constrained by legal proportionality, administrative manageability, uneven enforcement capacity, private-sector compliance burdens, political sustainability, and the constant requirement to preserve coalition coordination. These internal limits do not make sanctions irrelevant. However, they do affect the speed, intensity, consistency, and extensibility of the pressure that can be generated. In the Russian case, the issue is therefore not simply whether the EU is willing to sanction, but under what legal, institutional, and

¹ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

² Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

³ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

political conditions it can continue doing so effectively over time. This matters because direct coercion requires not only pressure on the target, but also unusually high coherence on the sender side. Where that coherence is incomplete or costly to maintain, coercive sharpness is reduced even if strategic pressure remains substantial^{1,2,3}.

The first internal constraint is legal proportionality and targeting discipline. The Council's sanctions explainer states that EU sanctions are carefully targeted, designed to be proportionate, and temporary in nature, and that they are regularly reviewed and can be calibrated, eased, or ended if EU objectives, or meaningful steps towards them, are achieved. The Council's general sanctions pages likewise stress that sanctions are not punitive and do not target a country or population, but are aimed at changing the policy or conduct of those targeted. This is fundamental to the Union's normative design, but it is also a limitation from the standpoint of direct coercion. A regime that must remain proportionate, targeted, and reviewable cannot simply maximise pain without regard to collateral effects, legal defensibility, or humanitarian consequences. The EU's legal-political model therefore excludes some of the most indiscriminate forms of economic coercion by design. That is a strength in normative terms, but it also narrows the menu of available coercive escalation and slows the move from political intention to maximal pressure^{4,5,6}.

A second internal constraint is the decision-making rule of unanimity. The Council explains that decisions on sanctions under the Common Foreign and Security Policy are taken by unanimity, and that both decisions and regulations on sanctions are adopted by the Council by unanimity. This institutional requirement gives every Member State a potential veto over new restrictive measures or over changes to existing ones. In periods of high political cohesion, unanimity can still produce strong results, as demonstrated by the successive Russia packages. Yet unanimity also makes sanction policy more vulnerable to bargaining, sequencing delays, issue-linkage, and the need for internal compromise. The very fact that the EU has maintained a 19-package regime against Russia is politically impressive, but it should not obscure the structural constraint built into the procedure itself. A coercive instrument that depends on repeated unanimous agreement is inherently more difficult to sharpen quickly than one controlled by a single executive authority. Coalition maintenance is therefore not a secondary political issue; it is built into the formal mechanics of sanctions production^{7,8,9}.

A third constraint is administrative manageability. The European Parliament's 2023 implementation study argues that sanctions implementation and enforcement in the EU have traditionally remained in the hands of national authorities and that this has produced a mosaic of practices across the Union. The same study emphasises that the unprecedented emphasis on implementation and enforcement after the 2022 invasion revealed how demanding sanctions administration becomes once a regime expands in scale and complexity. This is highly relevant to the Russian case. A sanctions system composed of listings, trade bans, service restrictions, vessel measures, ownership rules, due-diligence expectations, reporting duties, derogations, and anti-circumvention obligations is not self-executing. It places heavy burdens on customs, licensing bodies, financial supervisors, prosecutors, ministries, and private operators. The more elaborate the regime becomes, the more it depends on practical coordination, legal clarity, data access, and institutional stamina. Administrative manageability is therefore itself a

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

² European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

³ Council of the European Union. (n.d.). *How the EU adopts and reviews sanctions*.

⁴ Council of the European Union. (n.d.). *EU sanctions against Russia: questions and answers*.

⁵ Council of the European Union. (2014, April 29). *EU restrictive measures (sanctions) in force*.

⁶ Council of the European Union. (n.d.). *Why the EU adopts sanctions*.

⁷ Ibid.

⁸ Council of the European Union. (n.d.). *How the EU adopts and reviews sanctions*.

⁹ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

structural constraint on coercive intensity. A regime may be legally broad yet operationally diluted if its enforcement and interpretative infrastructure becomes overstretched^{1,2}.

A fourth internal limit is uneven enforcement and implementation asymmetry. The Commission's sanctions resources page states clearly that Member States are responsible for the implementation and enforcement of EU sanctions, as well as for identifying breaches and imposing penalties, while the Commission monitors correct and uniform implementation and provides guidance to Member States. That division of responsibilities is institutionally normal in the EU, but it creates an intrinsic asymmetry problem. If implementation and penalties depend primarily on national systems, then differences in administrative capacity, political priority, legal culture, and enforcement resources can affect the real force of sanctions across the Union. The Commission's continued reliance on FAQs, guidance, and monitoring support reflects awareness of this problem. What exists formally at EU level may still be applied unevenly in practice. This weakens direct coercion because the target and its facilitators can exploit inconsistencies, delays, or lower-risk jurisdictions inside the sender bloc^{3,4,5}.

A fifth constraint is the problem of legal transposition and criminalisation gaps. Directive (EU) 2024/1226 was adopted to harmonise the definition of criminal offences and penalties for violations of Union restrictive measures. The directive significantly strengthens the legal back end of the sanctions regime by requiring Member States to criminalise relevant forms of sanction violation and to provide for liability of legal persons. Yet the Commission announced in July 2025 that it was opening infringement procedures against a large number of Member States for failing to notify full transposition of the directive by the required deadline. This is analytically important because it reveals that even when the EU agrees on stronger criminal-law architecture, implementation can lag behind political ambition. Direct coercion is weakened when the legal consequences of sanctions breaches are not yet equally embedded across the Union. The sender coalition may then appear strong at the level of legislation, but uneven at the level of enforceable criminal deterrence^{6,7}.

A sixth internal constraint concerns the burden on private operators, especially firms that must operationalise sanctions in complex cross-border environments. The Commission's sanctions helpdesk page states that the platform supports European operators in complying with EU restrictive measures worldwide and is aimed primarily at SMEs, offering cost-free personalised help for sanctions due-diligence checks. The 2025 implementation note again highlighted the practical assistance offered to operators. These institutional developments are useful, but they also reveal a structural reality: the sanctions regime depends heavily on private firms to screen counterparties, verify ownership, assess goods, monitor routes, document transactions, and escalate risk. That places considerable compliance demands on businesses, particularly where legal ambiguity, complex ownership chains, or dual-use concerns are involved. A sanctions system that relies on private-sector transmission can be highly effective, but it also becomes sensitive to over-compliance, de-risking, fatigue, and uneven corporate capacity. The burden borne by operators is therefore not a side issue. It is one of the main constraints on how far and how fast the regime can be expanded without impairing usability and legal certainty^{8,9,10}.

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

² European Commission. (n.d.). *Overview of sanctions and related resources*.

³ Ibid.

⁴ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

⁵ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

⁶ European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁷ European Commission. (2025, July 23). *Commission takes action to ensure complete and timely transposition of the Directive on the criminalisation of the violation of Union restrictive measures*.

⁸ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁹ European Commission. (2025, June 11). *Sanctions implementation*.

¹⁰ European Commission. (2026, January 27). *Real SMEs, real sanctions compliance stories*.

A seventh limit is political sustainability inside the EU. The European Parliament's 2023 study states that it is increasingly recognised that the use of sanctions is not cost-free for the EU and its Member States, and that effective implementation and enforcement are crucial if the measures are to remain meaningful. More broadly, EU institutions in 2024–2025 repeatedly stressed the need to reduce administrative and compliance burdens on EU companies and national authorities, and to preserve legal certainty and predictability. Although these discussions are not sanctions-specific in every instance, they are highly relevant to sanctions policy because they indicate the broader political environment in which restrictive measures must function. A sanctions regime that becomes excessively burdensome, legally opaque, or economically distortive for its senders' risks generating erosion of support, demands for simplification, or resistance to further tightening. Political sustainability therefore constrains coercive escalation even where moral and geopolitical support for Ukraine remains strong. Endurance requires not only external resolve but also domestic governability^{1,2}.

An eighth internal constraint is coalition coordination beyond the EU proper. The Russia sanctions regime has been materially strengthened by cooperation with G7 partners and by broader alignment on export controls, maritime measures, and price-cap policy. Yet this alignment itself requires continual political work. The European Parliament's 2025 briefing explicitly refers to intensified sanctions diplomacy, closer work with like-minded jurisdictions, and reinforced cooperation with third countries to prevent circumvention. This indicates that coalition coherence cannot be assumed. It must be maintained. The more sanctions depend on coordinated implementation across shipping, finance, insurance, customs, and export-control systems, the more internal and external coordination become part of the same constraint structure. A coalition-wide regime can produce stronger cumulative pressure than a single-actor regime, but it is also more exposed to differences in priorities, enforcement cultures, and risk tolerance. Direct coercion therefore remains limited not only because Russia adapts, but because the coalition must constantly reproduce its operational unity^{3,4}.

A ninth and final internal constraint is that the EU's sanctions model is embedded in a broader conception of law-governed external action. Sanctions are meant to be part of a comprehensive policy approach, not a free-standing substitute for diplomacy, security support, legal action, and other instruments. The older Council overview of EU restrictive measures already underlined that sanctions are always part of a comprehensive policy approach involving political dialogue and complementary efforts. This matters analytically because it means the EU does not conceptualise sanctions as an unlimited stand-alone weapon. They are one element of a larger strategic framework. Consequently, internal legal and political constraints are not accidents obstructing a pure coercive instrument; they are part of the very model through which the EU deploys sanctions. This makes the regime more defensible and more legitimate, but also less likely to approximate maximalist coercive blockade logic. Against Russia, this implies that sanctions should be understood as a constrained but durable instrument of pressure, not as an unconstrained coercive technology^{5,6}.

The conclusion of this subsection is therefore clear. Internal constraints within the EU and the wider coalition do not negate the strategic value of sanctions against Russia, but they do explain why sanctions rarely achieve direct coercion with the speed imagined in more rhetorical accounts. Legal proportionality limits indiscriminate escalation. Unanimity slows and conditions major decisions. Decentralised implementation produces unevenness. Criminalisation and enforcement capacity take time to converge. Private firms bear heavy compliance burdens. Political sustainability must be preserved inside the sender bloc. Coalition coordination must be continually maintained across jurisdictions.

¹ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

² European Parliament. (2025, June 26). *Key issues in the European Council: State of play as of June 2025*.

³ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁴ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

⁵ Council of the European Union. (2014, April 29). *EU restrictive measures (sanctions) in force*.

⁶ Council of the European Union. (n.d.). *Why the EU adopts sanctions*.

These are not incidental problems. They are structural features of how the EU sanctions model operates. The practical result is that sanctions remain most effective as cumulative, legally structured, coalition-based pressure rather than as a rapid instrument of unilateral compellence^{1,2,3}.

Table 8.2.3-1. Internal constraints reducing the direct coercive effect of EU sanctions

Internal constraint	Mechanism	Why it limits direct coercion	Strategic consequence
Legal proportionality	Sanctions must remain targeted, proportionate, temporary, and reviewable	Narrows scope for indiscriminate escalation	Preserves legitimacy, but reduces maximal pressure
Unanimity in adoption	Council decisions and regulations require unanimous agreement	Slows tightening and increases compromise pressures	Makes escalation politically more demanding
Decentralised implementation	Member States enforce sanctions and impose penalties	Creates unevenness across jurisdictions	Reduces uniformity of pressure transmission
Administrative complexity	Large sanctions regimes require guidance, FAQs, licensing, monitoring, and coordination	Risks overload and interpretative fragmentation	Can widen the gap between legal design and practical effect
Criminalisation gaps	Transposition of Directive (EU) 2024/1226 may lag	Weakens deterrence against violations and circumvention	Slows convergence of enforcement severity
Private-sector burden	Firms must operationalise screening, due diligence, and documentation	Can generate over-compliance, fatigue, and uneven uptake	Makes pressure dependent on corporate capacity
Political sustainability	Sanctions are not cost-free for Member States and EU firms	Limits appetite for indefinite broadening without refinement	Pushes the regime towards selective rather than unlimited escalation
Coalition coordination	EU pressure depends on internal and external alignment	Creates dependence on continued common positions	Stronger cumulatively, but harder to maintain sharply

Authorship: prepared by the author on the basis of official EU institutional materials

Sources:

- European Union. (n.d.). Why the EU adopts sanctions.
- Council of the European Union. (n.d.). How the EU adopts and reviews sanctions.
- Council of the European Union. (n.d.). EU sanctions against Russia: questions and answers.
- European Commission. (n.d.). Overview of sanctions and related resources.
- European Commission. (2025, July 23). Commission takes action to ensure complete and timely transposition of the Directive on the criminalisation of the violation of Union restrictive measures.
- European Parliament. (2023, October). Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions.
- European Parliament. (2025, February 11). EU sanctions against Russia 2025: State of play, perspectives and challenges.

8.2.4. The Risk of Diminishing Returns and Sanctions Fatigue

A fourth structural limit of sanctions-based coercion is the risk of diminishing returns. This does not mean that sanctions suddenly cease to matter, nor that later measures become useless. It means that, after the first large rounds of restrictions have already hit the most visible targets, each additional layer

¹ European Parliament. (2024, April). *EU sanctions: A key foreign and security policy instrument*.

² European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

³ Council of the European Union. (n.d.). *How the EU adopts and reviews sanctions*.

of sanctions may produce a smaller marginal strategic yield unless it closes concrete loopholes, improves enforcement, or sharpens implementation discipline. In the Russian case, this risk arises precisely because the regime has already become broad, dense, and highly layered by 2025. Once a sanctions architecture reaches that stage, the relevant analytical question is no longer simply how to add more restrictions, but how to preserve or increase the effectiveness of the restrictions already in place. Sanctions can therefore enter a saturation phase in which legal expansion without operational refinement generates progressively smaller returns. That is the core logic behind the present subsection^{1,2,3}.

The first reason why returns may diminish is that the most immediately available targets are usually hit early. The initial rounds of sanctions tend to capture the most visible banks, strategic exports, transport links, elite-linked assets, and politically straightforward designations. Later rounds then confront a different task: not broad first-order interruption, but the closure of workarounds, the identification of hidden facilitators, and the targeting of more complex networks. The EU's sanctions evolution illustrates this dynamic. By 2025 the regime was no longer defined only by headline listings and first-wave sectoral prohibitions. Later packages increasingly targeted shadow-fleet vessels, third-country enablers, crypto-related actors, special economic zones, and more granular infrastructure and services restrictions. This suggests that the marginal challenge had shifted from breadth to precision. In such a phase, merely increasing the numerical size of the sanctions' regime is less important than increasing its closure quality^{4,5,6}.

The second reason is that a mature sanctions regime tends to become more legally and operationally dense. The Commission's Russia sanctions FAQ page in late 2025 already covered, among other topics, oil imports, import bans on Russian LNG, infrastructure transaction bans, refined products obtained from Russian crude, targeted vessels, enhanced due diligence for Common High Priority items, state-owned enterprises, special economic zones, dual-use and advanced technologies, movements of Russian diplomats, diamonds, and other sector-specific questions. This breadth is a sign of policy maturation, but it is also evidence of rising complexity. As the number of provisions, derogations, sectoral clarifications, and operational interpretations increases, the regime becomes harder to navigate and more resource-intensive to implement. At that point, the addition of further measures may increase formal scope without proportionately increasing strategic pressure. Complexity can therefore become a source of diminishing returns if it is not matched by interpretative clarity, usable guidance, and administrative upgrading^{7,8}.

A third reason concerns enforcement dependence. The Commission's sanctions resources page states that Member States are responsible for implementing and enforcing EU sanctions, identifying breaches, and imposing penalties, while the Commission monitors correct and uniform implementation and provides guidance. The same page also notes that the EU sanctions helpdesk offers cost-free personalised support for sanctions due-diligence checks and that the whistleblower tool can contribute to investigations and increase the effectiveness of EU sanctions. This institutional structure implies that sanctions do not intensify automatically when new legal texts are adopted. Their effect depends on enforcement quality, data-sharing, operator uptake, and monitoring discipline. If legal proliferation outpaces enforcement capacity, the sender coalition may accumulate rules faster than it accumulates

¹ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

² European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

³ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

⁴ Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁵ Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

⁶ European Commission. (2025, October 23). *EU adopts 19th package of sanctions against Russia*.

⁷ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

⁸ European Commission. (n.d.). *Overview of sanctions and related resources*.

real pressure. Under those circumstances, sanctions can continue to expand on paper while yielding progressively weaker marginal returns in practice^{1,2}.

A fourth reason lies in the burden placed on private operators. The EU sanctions regime relies heavily on firms, banks, insurers, freight operators, customs agents, marketplaces, and compliance teams to transform law into effective economic restraint. The Commission's helpdesk architecture is a recognition of that reality. Chatham House's 2025 recommendations on sanctions policy go further and argue that sanctions design, implementation, and enforcement require regular dialogue with affected businesses, that over-compliance is a genuine concern, and that the absence of a strong long-term vision can raise the risk of sanctions fatigue that undermines intended goals. This is particularly relevant to the Russian case. A regime that depends on thousands of private actors can become less effective if compliance burdens are perceived as legally uncertain, commercially excessive, or operationally exhausting. Sanctions fatigue, in this sense, is not only a geopolitical phenomenon among governments; it can also emerge within the private-sector transmission chain on which sanctions depend^{3,4}.

A fifth reason is that sanctions can gradually lose sharpness if their objectives become too diffuse or insufficiently reviewable. Chatham House argues that sanctions should be justified by clear and measurable objectives, that a metric is needed to assess both intended and unintended effects, and that sanctions should be part of a broader strategy rather than a limitless instrument for multiple unrealistic foreign-policy problems. It also warns that sanctions too often remain inflexibly locked in place because of insufficient early planning and lack of policy review if they fail within a defined time to achieve their objectives. This argument is highly applicable to the Russian case. The broader and longer a sanctions regime becomes, the greater the risk that it is sustained by inertia, symbolism, or domestic political signalling rather than by disciplined strategic calibration. Under such conditions, additional sanctions may still look politically forceful while adding less and less marginal strategic value^{5,6}.

A sixth reason is that prolonged sanctions regimes generate the risk of political fatigue inside the sender coalition. The concept itself is not new. Joy Gordon's discussion of the evolution of targeted sanctions recalls that, in the UN context, prolonged sanctions against Iraq contributed to considerable "sanctions fatigue" and to growing doubts about effectiveness, implementation, and humanitarian impact. The historical analogy should not be applied mechanically to the EU-Russia case, which is institutionally and politically very different. However, it remains useful in one respect: it reminds us that long sanctions regimes tend to accumulate questions about proportionality, efficacy, collateral effects, and policy exit conditions. In the Russia case, the risk is not necessarily abrupt abandonment of sanctions, but a slower process in which support for further tightening becomes harder to mobilise unless new measures are clearly justified, enforceable, and strategically meaningful. Sanctions fatigue is therefore best understood as a risk of political and administrative erosion, not necessarily of outright repeal^{7,8}.

A seventh reason is that diminishing returns can emerge even when sanctions are still causing real damage. The problem is not that pressure disappears, but that the target's most important adaptation channels become more resilient over time, while the sender's easiest escalation options are increasingly exhausted. In that situation, maintaining the same level of strategic impact requires more refined and more expensive enforcement work: better beneficial-ownership transparency, tighter customs intelligence, closer work with third countries, sharper maritime monitoring, more precise due diligence, and stronger criminal enforcement against violators. The European Parliament's 2025 briefing makes exactly this point in practice by emphasising implementation challenges, loophole closure, anti-

¹ European Commission. (2025, June 11). *Sanctions implementation*.

² European Commission. (n.d.). *Overview of sanctions and related resources*.

³ Ibid.

⁴ Mulder, N., Solomon, T., Erbland, J., Portela, C., Moret, E., Harris, K., & Early, B. (2025, July 14). *Understanding and improving sanctions today: Recommendations*. Chatham House.

⁵ Ibid.

⁶ European Parliament. (2024, April). *EU sanctions: A key foreign and security policy instrument*.

⁷ Gordon, J. (2011). *Smart Sanctions Revisited*. *Ethics & International Affairs*, 25(3), 315–335.

⁸ Mulder, N., Solomon, T., Erbland, J., Portela, C., Moret, E., Harris, K., & Early, B. (2025, July 14). *Understanding and improving sanctions today: Recommendations*. Chatham House.

circumvention diplomacy, and the need to address Russia’s shadow fleet. In other words, later-stage sanctions success depends less on dramatic new announcements and more on institutional quality. If that quality does not improve, diminishing returns become likely even while the regime remains formally broad^{1,2,3}.

This leads to the key analytical implication of the subsection. The danger is not that the EU has already reached a point where sanctions no longer matter, but that the sanctions regime could gradually become less efficient if further expansion is not accompanied by refinement, enforcement upgrading, and monitoring discipline. In practical terms, this means that future effectiveness depends less on the rhetorical politics of “more sanctions” as such than on the technical politics of making existing sanctions harder to evade, easier to implement, and better aligned with realistic objectives. The Chatham House recommendations are again relevant here because they call for annual multi-stakeholder review, objective metrics for both intended and unintended consequences, stronger enforcement culture, and broader strategic planning. The broader lesson is that sanctions are most at risk not when they are challenged openly, but when they are allowed to drift into routine without disciplined reassessment. In that situation, sanctions fatigue and diminishing returns reinforce one another^{4,5,6}.

The conclusion is therefore straightforward. The risk of diminishing returns and sanctions fatigue should be treated as a structural warning, not as a verdict of current irrelevance. Against Russia, the sanctions regime remains strategically meaningful, but its future yield will increasingly depend on qualitative rather than merely quantitative improvement. Additional packages may still be justified, but their value will be highest when they close actual loopholes, strengthen enforcement, reduce exploitable ambiguity, and sustain coalition discipline. If, by contrast, sanctions continue to expand without equivalent gains in clarity, monitoring, and implementation, the Union may face a classic saturation effect: more law, more burden, more symbolism, but less marginal strategic return. That is the real risk identified in this subsection^{7,8,9}.

Table 8.2.4-1. Main pathways through which diminishing returns and sanctions fatigue can emerge in the EU sanctions regime

Risk pathway	How it develops	Why it reduces marginal yield	What is required to counter it
Saturation of easily targetable actors	Early rounds already hit major banks, goods, elites, and visible channels	Later additions affect more indirect or adaptive targets	Better loophole closure and higher targeting precision
Regulatory over-density	More prohibitions, FAQs, sector rules, and derogation logic accumulate over time	Formal expansion outpaces practical usability	Simplification, clearer guidance, better legal drafting
Enforcement lag	New rules are adopted faster than monitoring and criminal enforcement improve	Violations and circumvention persist despite broader law	Stronger enforcement, data-sharing, and transposition discipline

¹ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

² European Commission. (2025, July 23). *Commission takes action to ensure complete and timely transposition of the Directive on the criminalisation of the violation of Union restrictive measures*.

³ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁴ Ibid.

⁵ European Commission. (n.d.). *Overview of sanctions and related resources*.

⁶ Mulder, N., Solomon, T., Erbland, J., Portela, C., Moret, E., Harris, K., & Early, B. (2025, July 14). *Understanding and improving sanctions today: Recommendations*. Chatham House.

⁷ Ibid.

⁸ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

⁹ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

Risk pathway	How it develops	Why it reduces marginal yield	What is required to counter it
Private-sector fatigue	Firms face rising due-diligence, screening, and documentation burdens	Compliance quality may become uneven or defensive	Helpdesk support, clearer expectations, dialogue with operators
Objective drift	Sanctions remain in place without clear review metrics or refined goals	Symbolic continuation replaces calibrated strategic design	Periodic review, measurable objectives, plan-B logic
Political fatigue	Support for further tightening becomes harder to sustain over time	Coalition cohesion weakens at the margin	Strong public justification and allied coordination

Authorship: prepared by the author on the basis of official EU institutional materials and other works

Sources:

- European Commission. (n.d.). *Overview of sanctions and related resources*; European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.
- European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.
- Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.
- Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.
- Mulder, N., Solomon, T., Erbland, J., Portela, C., Moret, E., Harris, K., & Early, B. (2025, July 14). *Understanding and improving sanctions today: Recommendations*.
- Chatham House; Gordon, J. (2011). *Smart Sanctions Revisited*. *Ethics & International Affairs*, 25(3), 315–335.

8.3. Conditions under which sanctions may contribute to political transformation in the Russian Federation

8.3.1. Political Transformation as an Indirect and Mediated Outcome

Political transformation should not be conceptualised here as an immediate or mechanically predictable consequence of sanctions. The historical and analytical literature does not support the view that sanctions, by themselves, normally trigger rapid regime change in large authoritarian states. In the Russian case, such an expectation would be especially unrealistic. The more defensible proposition is that sanctions may contribute to political transformation indirectly, through the cumulative alteration of state capacity, elite incentives, fiscal room for manoeuvre, technological reproduction, and long-term policy trade-offs. This formulation matters because it distinguishes transformation from instant compellence. A regime may withstand sanctions politically in the short term while still becoming progressively more constrained, more brittle, and more internally costly to sustain over time. Political transformation, in this sense, is better understood as a mediated outcome of prolonged structural pressure than as a direct one-step response to external coercion^{1,2,3}.

The EU's sanctions rationale is consistent with this more indirect reading. The Commission's consolidated Russia sanctions FAQ explains that sanctions are aimed at weakening the Russian government's ability to finance its war of aggression and are calibrated to maximise negative impact on the Russian economy while limiting unnecessary spillovers. The Council's overview states that the

¹ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

² Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

³ European Commission. (n.d.). *Sanctions adopted following Russia's military aggression against Ukraine*.

measures are designed to maximise pressure on Russia and diminish its ability to wage its illegal war of aggression. Neither formulation promises immediate regime collapse. Instead, both emphasise capability erosion, resource constraint, and cumulative pressure. This is analytically important because it shows that the most realistic theory of change in the EU framework is already broader than direct compellence. If sanctions reduce the state's fiscal flexibility, technological access, and policy options over time, they may still become politically transformative even without producing a sudden reversal at the top^{1,2}.

This distinction is particularly important in relation to authoritarian resilience. Christian von Soest argues that authoritarian regimes are difficult sanctions targets because they can shield themselves from external pressure through repression, redistribution, narrative control, and “pressure-proofing” strategies. Grauvogel and von Soest further show that sanctions do not automatically produce democratisation and may even strengthen authoritarian rule if the regime successfully incorporates sanctions into its legitimisation strategy. These findings are highly relevant to Russia. They suggest that sanctions pressure may coexist with short-term regime hardening, increased repression, or stronger nationalist framing. Yet this does not mean sanctions are politically irrelevant. It means that their transformative effect, where it exists, is filtered through domestic institutions, elite coalitions, and the regime's adaptive repertoire. Transformation therefore becomes conditional, delayed, and politically mediated rather than direct^{3,4}.

For that reason, sanctions should be seen less as a trigger for immediate rupture and more as a force that can gradually reshape the internal operating environment of the regime. If sanctions compress export earnings, narrow access to technologies, increase fiscal burdens, reduce investment quality, and complicate military-industrial regeneration, they alter the terms on which the state can preserve both external aggression and internal stability. The Brookings analysis by Itskhoki and Ribakova is especially useful here because it emphasises that the impact of sanctions on Russia has been mixed rather than decisive, but also that sanctions work through complex trade-offs and constraints rather than simple one-off shocks. In political terms, this implies that the relevant question is not “Did sanctions topple the regime?” but rather “How do sanctions progressively change the costs, choices, and tensions within the regime?” Once the question is framed in that way, indirect political transformation becomes analytically plausible even where immediate regime change remains unlikely^{5,6}.

One of the most relevant mediating mechanisms is pressure on state capacity. Sanctions do not need to overthrow a regime to make its governing model harder to sustain. They can constrain budgetary flexibility, worsen import quality, increase procurement frictions, raise logistics costs, and force the state to devote growing resources to substitution, compensation, and repression. Over time, such pressures can narrow the state's discretionary space and intensify trade-offs between warfare, elite maintenance, regional transfers, and social commitments. In the Russia-focused Chatham House volume *Imagining Russia's future after Putin*, one line of analysis explicitly suggests that the cumulative impact of sanctions could squeeze the rent flows available to decision-makers, creating evidence of stress through competition for rents among elite groups and forced sequestration of budgetary spending. This does not prove transformation. However, it identifies a credible pathway through which

¹ European Commission. (n.d.). *Consolidated version of the frequently asked questions concerning sanctions adopted following Russia's military aggression against Ukraine and Belarus' involvement in it*.

² Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

³ von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

⁴ Grauvogel, J., & von Soest, C. (2014). *Claims to legitimacy count: Why sanctions fail to instigate democratisation in authoritarian regimes*. *European Journal of Political Research*, 53(4), 635–653.

⁵ European Parliament. (2024, April). *EU sanctions: A key foreign and security policy instrument*.

⁶ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

sanctions can contribute to political change indirectly, by eroding the material foundations that support elite cohesion and central control^{1,2}.

A second mediating mechanism concerns elite calculations. Political transformation in authoritarian systems rarely occurs through mass suffering alone. Much more often, it depends on whether elites continue to believe that the regime can reliably protect their rents, status, security, and future prospects. Sanctions may matter here by shrinking the pool of resources available for elite balancing, raising uncertainty about external access, constraining financial and commercial channels, and increasing the cost of strategic dependence on a narrower set of partners. Again, this is not a linear process. Elites may initially rally around the regime under pressure. However, over time, persistent constraints can alter perceptions of regime competence, durability, and strategic viability. The indirect transformative role of sanctions therefore lies partly in how they reshape elite expectations and trade-offs, not merely in how they affect GDP or household welfare^{3,4}.

A third mediating mechanism is strategic narrowing. Even where a regime remains politically intact, sanctions can reduce the range of acceptable long-term options available to it. If access to advanced technology, specialised services, insurance, finance, shipping, and energy-related revenue channels becomes progressively worse, then the regime may retain coercive power while losing strategic flexibility. This matters because political transformation is not only about leadership turnover or democratisation. It may also involve changes in the regime's external posture, internal balance of priorities, institutional hardening, or long-term capacity for continued geopolitical confrontation. A sanctioned state that can still endure may nevertheless be transformed into a more closed, more extractive, more repressive, and more resource-constrained system. That outcome is not normatively identical to liberal transformation, but it is still a form of political change produced under cumulative external pressure^{5,6}.

At the same time, this mediated understanding also requires caution. The literature does not support any automatic assumption that cumulative pressure will necessarily produce liberalisation or democratic opening. Grauvogel and von Soest explicitly warn that authoritarian regimes can survive sanctions by incorporating them into their legitimacy narratives. Von Soest likewise emphasises authoritarian “pressure-proofing” through repression, redistribution, and external support. In the Russian case, this means that sanctions could contribute not to liberal transformation but to deeper authoritarian consolidation if the regime successfully reallocates burdens, suppresses dissent, and reframes the conflict as a civilisational confrontation with the West. This possibility is not a marginal caveat; it is central to the analytical balance of this section. Sanctions may be transformative without being democratising. They may change the regime's internal configuration, but not in the direction hoped for by external actors^{7,8}.

The most defensible conclusion is therefore that sanctions may contribute to political transformation in Russia only as part of a broader and slower causal chain. They can weaken state capacity, squeeze rent flows, complicate elite management, narrow strategic options, and intensify long-term governance trade-offs. But whether these pressures lead to meaningful political transformation depends on how they interact with military developments, domestic repression, social endurance, elite cohesion, and external support networks. Sanctions are thus neither irrelevant nor sufficient. Their political role is

¹ Ibid.

² Allen, D. (2023, May 24). *Imagining Russia's future after Putin: The economic system by end-2027*. Chatham House.

³ Ibid.

⁴ von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

⁵ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

⁶ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁷ Grauvogel, J., & von Soest, C. (2014). *Claims to legitimacy count: Why sanctions fail to instigate democratisation in authoritarian regimes*. *European Journal of Political Research*, 53(4), 635–653.

⁸ von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

mediated, cumulative, and conditional. That is why the next subsection should examine more specifically the channels through which transformative influence may operate—fiscal, technological, institutional, and elite-level—rather than treating “political transformation” as a single and immediate outcome^{1,2,3}.

Table 8.3.1-1. Political transformation under sanctions: direct versus indirect logic

Analytical model	Core assumption	Typical expectation	Relevance to the Russian case	Judgement
Direct coercive model	Sanctions rapidly force policy reversal or regime change	Quick concession under external pressure	Weak fit: Russia is a large adaptive authoritarian state with pressure-proofing capacity	Limited explanatory value
Indirect structural model	Sanctions gradually alter state capacity, elite incentives, and strategic trade-offs	Delayed, mediated transformation through cumulative strain	Stronger fit: explains why change, if it comes, is likely to be gradual and conditional	High explanatory value
Authoritarian hardening model	Sanctions reinforce repression and legitimising narratives	Regime consolidation rather than opening	Also plausible in the Russian case	Important counter-scenario
Mixed-pathway model	Sanctions generate both stress and hardening, with outcomes depending on mediation factors	Transformation possible, but neither automatic nor linear	Best fit for current evidence	Most analytically defensible

Authorship: prepared by the author on the basis of official EU institutional materials and other works

Sources:

- European Commission. (n.d.). Sanctions adopted following Russia’s military aggression against Ukraine.
- Giumelli, F. (2024). A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia.
- Itskhoki, O., & Ribakova, E. (2024). The Economics of Sanctions: From Theory into Practice.
- von Soest, C. (2023, September). How Authoritarian Regimes Counter International Sanctions Pressure.
- Grauvogel, J., & von Soest, C. (2014). Claims to legitimacy count: Why sanctions fail to instigate democratisation in authoritarian regimes.
- Allen, D. (2023, May 24). Imagining Russia’s future after Putin: The economic system by end-2027.

8.3.2. Channels of Transformative Influence: Fiscal, Technological, Institutional, and Elite-Level

If sanctions are to contribute to political transformation in the Russian Federation, they are unlikely to do so through a single direct political mechanism. The more plausible pathway is cumulative and channel-specific. In practical terms, sanctions can matter politically when they squeeze the fiscal base of the state, degrade the technological conditions of military and industrial reproduction, reshape institutional patterns of governance, and alter elite incentives and expectations. This does not mean that transformation is guaranteed. It means that the most credible theory of change lies in how these channels interact over time. The EU’s sanctions framing already points in this direction: the measures are presented as tools to weaken Russia’s economic base, deprive it of critical technologies and markets, and curtail its ability to wage war, rather than as a promise of instant regime change^{4,5,6}.

¹ European Commission. (n.d.). *Sanctions adopted following Russia’s military aggression against Ukraine*.

² Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

³ Allen, D. (2023, May 24). *Imagining Russia’s future after Putin: The economic system by end-2027*. Chatham House.

⁴ European Commission. (n.d.). *Sanctions adopted following Russia’s military aggression against Ukraine*.

⁵ Council of the European Union. (n.d.). *Russia’s war against Ukraine: EU sanctions*.

⁶ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

The first channel is fiscal. A regime whose external aggression depends heavily on hydrocarbon revenues, sovereign reserves, and the political management of rents is vulnerable not necessarily to immediate collapse, but to a gradual narrowing of fiscal room for manoeuvre. The EU's 18th package is explicit on this point: it states that oil exports still represent one third of Russian government revenues and lowers the oil price cap from USD 60 to USD 47.6 per barrel as part of a broader effort to curtail Russia's energy revenues. At the same time, the European Parliament reported in late 2025 that the EU had immobilised around EUR 210 billion of Russian sovereign assets and frozen around EUR 28 billion of private assets within its jurisdiction. These measures do not automatically bankrupt the Russian state, but they do constrain buffers, reduce flexibility, and worsen the long-term fiscal conditions under which the regime manages war, patronage, and domestic stabilisation. In transformative terms, fiscal pressure matters because it can intensify trade-offs between military expenditure, elite maintenance, regional transfers, and social obligations^{1,2,3}.

This fiscal channel becomes more politically significant when viewed through the internal structure of the Russian political economy. Chatham House's analysis of Russia's future after Putin describes the system as a state-dominated mechanism of rent distribution in which export-oriented sectors, especially oil and gas, support budget-funded spheres, security functions, and broader regime maintenance. The same analysis argues that, over time, sanctions on crude oil and petroleum products could squeeze the rent flows available to decision-makers, with possible signs of stress including competition for rents among elite groups and even forced sequestration of federal and regional budgetary spending. This is analytically important because it translates macroeconomic pressure into political terms. A fiscal squeeze becomes politically transformative not simply when revenues fall, but when the regime becomes less able to distribute rents in ways that preserve elite balance and administrative loyalty. In that sense, the fiscal channel links directly to longer-term questions of governability^{4,5}.

The second channel is technological. The EU has increasingly framed sanctions not merely as restrictions on trade in general, but as an effort to deny Russia access to goods, technologies, and services that are critical to military and industrial reproduction. The Commission's official list of Common High Priority items defines them as prohibited dual-use goods and advanced technology items used in Russian military systems found on the battlefield in Ukraine or critical to the development, production, or use of those systems. The 17th package built on this logic by targeting more than 45 companies and individuals supplying the Russian army with drones, weapons, ammunition, military equipment, critical components, and logistical support, including industrial enablers such as Russian and Chinese entities supplying machine tools. The relevance of this channel for political transformation lies in time horizon. Technological degradation rarely produces an immediate political shock, but it can progressively worsen the quality, cost, and speed of military-industrial reproduction, thereby constraining strategic options and exposing deeper institutional weaknesses over time^{6,7,8}.

The technological channel also matters because it changes the form of dependence. The more Russia must rely on lower-quality substitutes, indirect procurement, longer logistics chains, or a narrower group of external suppliers, the more its strategic autonomy is reduced even if production continues. Brookings' analysis of sanctions on Russia argues that the effects have been mixed, but it also stresses the importance of implementation design and the fact that sanctions work through complex constraints

¹ Council of the European Union. (2025, July 18). *Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures*.

² European Parliament. (2025, November). *EU sanctions and Russia's frozen assets*.

³ European Parliament. (2025). *Immobilised Russian central bank assets*.

⁴ Allen, D. (2023, May 24). *Imagining Russia's future after Putin: The economic system by end-2027*. Chatham House.

⁵ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

⁶ European Commission. (2024, February 22). *List of common high priority items*.

⁷ Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁸ European Commission. (2025, May 20). *EU adopts 17th package of sanctions against Russia*.

and trade-offs rather than through a single macroeconomic outcome. In political terms, this means that technological sanctions may not force concession directly, but they can contribute to transformation by reducing external manoeuvrability and increasing the long-term cost of maintaining a militarised and technologically demanding foreign policy. The effect here is cumulative rather than spectacular. It is less about collapse than about the gradual narrowing of what the regime can sustain at acceptable cost^{1,2}.

The third channel is institutional. Here the likely effect is not immediate liberalisation, but a reconfiguration of governance structures under pressure. Drawing on Allen's analysis of Russia's state-dominated rent-management system, the most plausible institutional effect of prolonged sanctions is a deeper shift towards centralised allocation, militarised prioritisation, import-substitution management, and emergency-style coordination across the economy. This is an inference, but it is a grounded one. If sanctions reduce Western economic ties, squeeze access to external finance and technology, and force heavier reliance on politically managed substitutes and non-Western channels, then the internal institutional response is likely to be more dirigiste rather than less. Such a shift may harden authoritarian governance in the short run. Yet it may also become transformative in a broader sense by changing the structure of state-business relations, increasing dependence on administrative allocation, and reducing the regime's long-term flexibility. Political transformation, in this institutional channel, therefore does not necessarily mean democratisation. It can mean structural mutation of the governing model itself^{3,4}.

A second institutional dimension concerns the external legal-financial environment within which Russian state power operates. The immobilisation of approximately EUR 210 billion of Russian central bank assets in EU jurisdictions, together with the debate and policy mechanisms surrounding the use of extraordinary profits from those assets for Ukraine, has not changed ownership of the assets, but it has altered the practical conditions of Russian reserve usage and sovereign financial insulation. This matters because political systems are shaped not only by internal institutions, but also by their access to external financial infrastructure. A regime forced to operate with more constrained reserve access, reduced legal comfort in major jurisdictions, and a more hostile international financial environment may adapt institutionally through tighter internal control and narrower strategic planning horizons. Again, this is not immediate political transformation in the everyday sense. However, it is a channel through which the sanctions regime can push long-term institutional change in how the Russian state manages risk, reserves, and strategic dependence^{5,6,7}.

The fourth channel is elite-level. This is perhaps the most politically sensitive channel because authoritarian systems are often more responsive to shifts in elite incentives than to diffuse social hardship. The EU's individual sanctions regime is designed precisely to shape this layer: by March 2025, sanctions applied to nearly 2,400 individuals and entities, and the 17th package stated that, with 75 new listings, the total rose to over 2,400; the 19th package then added a further 69 individual listings. These measures include travel restrictions, asset freezes, and prohibitions on making funds or economic resources available to listed persons and entities. Their transformative significance lies not in symbolic naming alone, but in how they can narrow external financial access, reduce status mobility, complicate commercial intermediation, and raise the personal cost of continued regime alignment for some actors.

¹ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

² European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

³ Allen, D. (2023, May 24). *Imagining Russia's future after Putin: The economic system by end-2027*. Chatham House.

⁴ von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

⁵ European Parliament. (2025, November). *EU sanctions and Russia's frozen assets*.

⁶ European Parliament. (2025). *Confiscation of immobilised Russian sovereign assets*.

⁷ European Parliament. (2025). *Immobilised Russian central bank assets*.

They do not automatically fracture the elite. However, they do increase the possibility that different elite groups reassess the long-term value, risk, and sustainability of the existing political course^{1,2,3}.

The elite-level channel becomes stronger when combined with the fiscal channel. Allen's Chatham House analysis is especially useful here because it explicitly links sanctions pressure to the possibility of competition for rents among elite groups and forced budget sequestration. This is a crucial bridge between economic restriction and political transformation. A sanctioned authoritarian regime may endure severe external pressure so long as it can still distribute benefits, manage losses selectively, and preserve confidence among politically relevant insiders. But if sanctions progressively squeeze fiscal resources, degrade external access, and reduce the regime's capacity to stabilise expectations among elites, then political effects become more plausible. The mechanism is still indirect. Yet it is more realistic than expecting sanctions to produce mass protest leading directly to leadership change. Under Russian conditions, elite recalculation is likely to matter more than immediate societal upheaval^{4,5}.

The most important analytical point is that these four channels do not operate separately. Fiscal pressure without technological degradation can be partly offset by adaptation. Technological degradation without institutional consequences may remain sectoral rather than political. Institutional change without elite recalculation may only harden the regime. Elite strain without fiscal pressure may remain manageable. Transformative influence becomes more plausible only where these channels reinforce one another over time. This is also why the EU's later sanctions policy has increasingly focused on cumulative pressure, anti-circumvention, CHP items, energy revenues, shadow logistics, and high-value intermediaries rather than on isolated symbolic acts. The more these channels interact, the more sanctions can reshape the internal balance of costs and choices inside the Russian system^{6,7,8}.

The conclusion of this subsection is therefore clear. If sanctions contribute to political transformation in Russia, they are most likely to do so through four interacting channels: fiscal strain, technological degradation, institutional mutation, and elite-level recalculation. None of these channels guarantees transformation on its own, and each can also generate defensive adaptation or authoritarian hardening. Yet together they provide the most plausible causal map of how sanctions might matter politically over the medium and long term. The next subsection should therefore identify the specific conditions under which these channels could become strong enough to produce real transformative impact rather than only constraint and adaptation^{9,10,11}.

¹ Council of the European Union. (2025, March 14). *Russia's war of aggression against Ukraine: EU individual sanctions over territorial integrity prolonged for a further six months*.

² Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

³ Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

⁴ Allen, D. (2023, May 24). *Imagining Russia's future after Putin: The economic system by end-2027*. Chatham House.

⁵ von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

⁶ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

⁷ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁸ European Commission. (2024, February 22). *List of common high priority items*.

⁹ von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

¹⁰ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

¹¹ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

Table 8.3.2-1. Main channels through which sanctions may contribute to political transformation in the Russian Federation

Channel	Immediate effect	Mediated political effect	Why it matters for transformation
Fiscal	Reduced energy revenue quality, immobilised reserves, tighter budget trade-offs	Harder rent distribution, narrower room for warfare-social balance, stress in budget allocation	Can weaken the material basis of elite cohesion and state flexibility
Technological	Reduced access to critical goods, dual-use items, machine tools, and advanced components	Higher reproduction costs, lower-quality substitution, reduced strategic autonomy	Constrains long-term military-industrial and economic sustainability
Institutional	Greater reliance on central allocation, substitution management, emergency governance, and narrower external financial space	Mutation of the governing model, deeper centralisation, lower flexibility	Can alter the structure of the regime even without immediate liberalisation
Elite-level	Asset freezes, travel bans, reduced external access, tighter financial scrutiny	Reassessment of regime competence, growing competition for rents, rising uncertainty among insiders	Most plausible direct political transmission channel in an authoritarian system

Authorship: prepared by the author on the basis of official EU institutional materials and other works

Sources:

- European Union. (2025, July 18). Russia's war of aggression against Ukraine: EU adopts 18th package of economic and individual measures.
- European Parliament. (2025, November). EU sanctions and Russia's frozen assets.
- European Commission. (2024, February 22). List of common high priority items.
- Council of the European Union. (2025, May 20). Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions.
- Council of the European Union. (2025, October 23). 19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers.
- Allen, D. (2023, May 24). Imagining Russia's future after Putin: The economic system by end-2027.

8.3.3. Necessary Conditions for Transformative Impact

If sanctions are to contribute to meaningful political transformation in the Russian Federation, that effect will not arise automatically from the mere existence of a broad sanctions' regime. The experience of 2022–2025 suggests instead that transformative impact depends on a demanding set of cumulative conditions. Sanctions may generate pressure, but pressure becomes politically transformative only if it is sustained, transmitted, enforced, and strategically concentrated over time. This is especially true in relation to a large adaptive authoritarian state, where short-term pain can be absorbed, socially redistributed, and politically reframed. The decisive issue is therefore not whether sanctions exist, but whether the regime possesses the durability and quality necessary to alter the long-term internal balance of costs, options, and expectations. In the Russian case, at least six conditions stand out as essential: coalition unity, anti-circumvention effectiveness, legal resilience, high-quality compliance, durable restrictions on technology and services, and cumulative domestic stress of a politically meaningful kind^{1,2,3}.

The first condition is sustained coalition unity. Transformative pressure requires sanctions to remain politically durable over a sufficiently long period to influence state capacity, elite calculations, and institutional trade-offs inside Russia. This is only possible if the EU and its partners continue to act with broad strategic coherence. The Council's sanctions pages repeatedly frame the measures as part of a continuing effort to maximise pressure on Russia, while the European Parliament's 2025 briefing

¹ Ibid.

² European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

³ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

stresses the importance of reinforced cooperation with like-minded jurisdictions and of sanctions diplomacy vis-à-vis third countries. This matters because a fragmented coalition produces leakier sanctions, weaker signalling, and lower expectations of endurance in the target state. A regime that expects sanctions unity to erode has a stronger incentive to wait out the pressure rather than adapt politically to it. Coalition unity is therefore not simply a background diplomatic virtue. It is a core precondition for transformation because it shapes the target's time horizon and its confidence in strategic endurance^{1,2,3}.

The second condition is effective anti-circumvention pressure. A sanctions regime cannot become transformative if the target preserves wide external operating space through re-routing, proxy structures, shadow logistics, and third-country facilitators. The European Parliament's 2025 state-of-play briefing explicitly states that the unprecedented nature of the Russia sanctions has created implementation challenges and that the EU renewed efforts to close loopholes and prevent circumvention, including by reinforcing cooperation with third countries and addressing the shadow fleet. The Council's 17th and 19th package press releases show how central this issue had become by 2025, with hundreds of shadow-fleet vessels targeted and additional measures imposed on enablers, registries, and reinsurers. These developments indicate that transformative impact depends not only on the original sanctions' lists, but on the ability to deny Russia stable adaptation channels. If circumvention remains broad and cheap, then sanctions may still impose costs but are less likely to accumulate into politically transformative stress^{4,5,6}.

The third condition is legal resilience. Sanctions that are politically ambitious but legally fragile are less likely to shape long-term transformation because they create uncertainty, litigation exposure, and implementation hesitancy. The EU's sanctions architecture has increasingly moved towards stronger legal consolidation, and Directive (EU) 2024/1226 is central here because it harmonises the criminalisation of sanctions violations across Member States. Yet the Commission's infringement action in July 2025 over incomplete transposition of that directive also showed that legal resilience is not automatic. For sanctions to become transformative, the legal framework must remain precise, enforceable, and capable of surviving administrative and judicial stress over time. A regime that is repeatedly contested, unevenly transposed, or weakly criminalised may still inconvenience the target, but it is less likely to create durable expectations of constraint. Legal resilience therefore matters not only for formal rule-of-law reasons, but because it shapes the credibility of sanctions as a long-term political environment^{7,8,9}.

The fourth condition is high-quality compliance transmission. Even a legally sound sanctions regime cannot become transformative if it remains weakly transmitted into real commercial, financial, logistical, and administrative behaviour. The Commission's sanctions resources page states that Member States are responsible for implementation and enforcement, while the Commission monitors correct and uniform implementation and provides guidance. The Commission's June 2025 implementation note and its Helpdesk support for operators, especially SMEs, both show that sanctions effectiveness increasingly depends on practical usability, screening quality, due diligence, ownership verification, and the ability of thousands of public and private actors to internalise restrictions in daily decisions. This matters because transformation cannot occur through paper law alone. It requires

¹ Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

² Council of the European Union. (n.d.). *How the EU adopts and reviews sanctions*.

³ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁴ Ibid.

⁵ Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁶ Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

⁷ European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.

⁸ European Commission. (2025, July 23). *Commission takes action to ensure complete and timely transposition of the Directive on the criminalisation of the violation of Union restrictive measures*.

⁹ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

sustained behavioural filtering at the level of payments, shipments, procurement, insurance, contracting, and export controls. High-quality compliance is therefore not a technical afterthought. It is one of the essential mechanisms through which cumulative pressure becomes politically meaningful over time^{1,2,3}.

The fifth condition is durable restriction on critical technologies and services. Political transformation is unlikely if Russia can continue, with manageable cost, to reproduce military and industrial capabilities through substitute supply chains or to access the services necessary for external strategic functioning. The Commission's Common High Priority items list and the FAQ and guidance architecture around enhanced due diligence show that the EU increasingly recognises the centrality of battlefield-relevant technologies and re-export risks. The Council's 17th package also targeted companies supplying machine tools, drones, and other critical components to the Russian military system. This is essential because, in authoritarian systems, transformative pressure is more likely when sanctions constrain future capability reproduction rather than merely impose immediate discomfort. Durable technology and service restrictions can degrade strategic autonomy, worsen long-term planning horizons, and intensify the cost of maintaining militarised external policy. Without that sustained technological and service denial, sanctions may remain costly but insufficiently transformative^{4,5,6}.

The sixth condition is cumulative domestic stress with political relevance, not merely aggregate hardship. This distinction is crucial. Sanctions do not become transformative simply because they reduce welfare or slow growth. In authoritarian systems, diffuse social suffering can often be repressed, narrated away, or redistributed. What matters is whether sanctions generate stress that reaches state capacity, elite balancing, fiscal trade-offs, and institutional coherence. Allen's Chatham House analysis is particularly useful here because it links sanctions pressure to possible competition for rents among elite groups and to forced sequestration of federal and regional budget spending. That is a much more plausible mechanism of transformation than a simplistic expectation of immediate mass protest. Political transformation becomes more likely when domestic stress affects the internal architecture of regime management, not merely the aggregate economy^{7,8}.

A seventh condition, closely related to the previous six, is strategic patience on the sender side. The literature reviewed by Giumelli and the economic analysis by Itskhoki and Ribakova both caution against simplistic readings of sanctions effectiveness. In the Russian case, the most plausible transformative pathways are medium- and long-term. This means that sender governments must maintain sanctions discipline beyond the initial shock period, even when early expectations of quick compellence are disappointed. A sanctions regime that is relaxed too soon, allowed to drift, or sustained only symbolically will struggle to produce transformative consequences. By contrast, a regime that is consistently reviewed, adapted, and reinforced in response to circumvention and technological substitution is more likely to accumulate pressure in politically meaningful ways. Strategic patience is therefore not passivity. It is the continued political will to sustain costly but cumulative pressure over time^{9,10,11}.

¹ European Commission. (n.d.). *Overview of sanctions and related resources*.

² European Commission. (2025, June 11). *Sanctions implementation*.

³ European Commission. (2026, January 27). *Real SMEs, real sanctions compliance stories*.

⁴ European Commission. (2024, February 22). *List of common high priority items*.

⁵ European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items: Frequently asked questions*.

⁶ Council of the European Union. (2025, May 20). *Russia's war of aggression against Ukraine: EU agrees 17th package of sanctions*.

⁷ Allen, D. (2023, May 24). *Imagining Russia's future after Putin: The economic system by end-2027*. Chatham House.

⁸ von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

⁹ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

¹⁰ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

¹¹ Council of the European Union. (n.d.). *Timeline - EU sanctions against Russia*.

At the same time, these conditions must be treated jointly rather than individually. Coalition unity without anti-circumvention effectiveness will leave too much external space for adaptation. Legal resilience without compliance quality will yield impressive texts but weak transmission. Technology denial without fiscal pressure may slow the target without creating politically meaningful strain. Domestic stress without elite relevance may harden repression rather than transform the regime. The significance of these conditions lies precisely in their interaction. Transformative impact becomes plausible only when the sanctions regime is politically durable, legally robust, practically enforceable, strategically focused, and capable of generating internal pressures that are difficult for the regime to absorb indefinitely. That is a very demanding threshold, but it is the correct one analytically^{1,2,3}.

The conclusion of this subsection is therefore precise. Sanctions can become a factor of real political transformation in Russia only under conditions of sustained coalition unity, effective anti-circumvention pressure, legal resilience, high-quality compliance, durable restrictions on technology and services, and cumulative domestic stress that affects regime management rather than merely aggregate welfare. These are not guaranteed conditions, and several of them remain only partially fulfilled. But together they define the threshold that would have to be crossed for sanctions pressure to move from attritional constraint to transformative political effect. The next subsection should therefore identify the circumstances under which transformative expectations should be treated with caution, even if some of these conditions are partially present^{4,5,6}.

Table 8.3.3-1. Necessary conditions under which sanctions may contribute to political transformation in the Russian Federation

Condition	What it requires in practice	Why it matters for transformative impact	If absent, what happens instead
Sustained coalition unity	Continued EU and partner alignment over time	Convinces the target that pressure will endure and cannot simply be waited out	Adaptation and expectation of coalition fatigue
Effective anti-circumvention pressure	Closure of loopholes, pressure on shadow fleet, third-country outreach, enabler targeting	Reduces Russia's external operating space and raises adaptation costs	Pressure leaks through re-routing and proxy channels
Legal resilience	Clear rules, durable listings, criminalisation of violations, consistent transposition	Makes sanctions credible, enforceable, and resistant to erosion	Litigation, fragmentation, and lower deterrence
High-quality compliance	Strong screening, due diligence, ownership checks, operator uptake, enforcement discipline	Translates formal restrictions into real behavioural constraint	Paper sanctions with weak transmission
Durable technology and services restrictions	Persistent denial of CHP items, critical components, specialised services, and enablers	Degrades future capability reproduction and narrows strategic autonomy	Short-term substitution and lower long-term pressure
Cumulative domestic stress	Pressure that affects budgets, rents, elite balancing, and institutional coherence	Creates politically relevant internal trade-offs	Diffuse hardship without transformative political consequences

Authorship: prepared by the author on the basis of official EU institutional materials and other works

Sources:

- Council of the European Union. (n.d.). *Russia's war against Ukraine: EU sanctions*.

¹ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

² European Commission. (n.d.). *Overview of sanctions and related resources*.

³ Allen, D. (2023, May 24). *Imagining Russia's future after Putin: The economic system by end-2027*. Chatham House.

⁴ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

⁵ European Commission. (n.d.). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁶ von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

- European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.
- European Union. (2024, April 24). *Directive (EU) 2024/1226 on the definition of criminal offences and penalties for the violation of Union restrictive measures*.
- European Commission. (2025, June 11). *Sanctions implementation*.
- European Commission. (2024, February 22). *List of common high priority items*.
- European Commission. (2025, July 23). *Enhanced due diligence for operators manufacturing and/or trading with CHP items: Frequently asked questions*.
- Allen, D. (2023, May 24). *Imagining Russia's future after Putin: The economic system by end-2027*.
- von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*.

8.3.4. Conditions under which Transformative Expectations Should Be Treated with Caution

Transformative expectations regarding the political effects of sanctions on the Russian Federation should be treated with caution whenever analysis begins to assume that economic pressure will automatically convert into regime change, policy liberalisation, or elite fragmentation. The literature reviewed in this report does not support such automaticity. On the contrary, the most serious work on sanctions and authoritarian rule suggests that pressure can generate contradictory outcomes, including regime hardening, narrative consolidation, and more selective redistribution rather than meaningful political opening. In the Russian case, caution is especially necessary because the target is not a small, externally dependent polity but a large authoritarian state with coercive capacity, strategic exports, and a demonstrated ability to absorb and redirect costs. This means that sanctions can remain strategically meaningful while still falling short of transformative political effect. The correct analytical stance is therefore conditional rather than deterministic^{1,2,3}.

The first cautionary condition is high regime adaptability. Expectations of transformation should be limited where the sanctioned state still demonstrates a substantial ability to re-route trade, substitute suppliers, mobilise domestic controls, and redesign external channels of access. The European Parliament's 2025 briefing on EU sanctions against Russia states that the unprecedented nature of the measures created significant implementation challenges and required renewed efforts to close loopholes, reinforce cooperation with third countries, and address the shadow fleet. That formulation is important because it implicitly acknowledges that the target has retained meaningful room for manoeuvre. A regime that can continue operating through alternative channels may still be pressured, but it is less likely to be transformed quickly. In such circumstances, sanctions remain attritional rather than decisively political in their immediate effects^{4,5}.

The second cautionary condition is the regime's ability to transfer costs onto society while insulating politically decisive actors. Authoritarian systems do not experience sanctions as socially flat pressure. Von Soest's analysis of authoritarian "pressure-proofing" explicitly identifies redistribution to elites, loyal constituencies, and politically strategic groups as a central way in which regimes counter external pressure. This matters because sanctions do not become transformative simply by making ordinary life harder. They matter politically only when costs affect the internal architecture of regime maintenance. If the state retains enough capacity to protect security institutions, politically central rent networks, and the administrative core while shifting hardship onto broader society, then sanctions may produce pain

¹ Ibid.

² Grauvogel, J., & von Soest, C. (2014). *Claims to legitimacy count: Why sanctions fail to instigate democratisation in authoritarian regimes*. *European Journal of Political Research*, 53(4), 635–653.

³ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

⁴ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁵ Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

without producing transformation. Under such conditions, expectations of political opening should be kept modest^{1,2}.

The third cautionary condition is deepened authoritarian consolidation. Transformative expectations should be limited where sanctions can be incorporated into the regime's strategy of legitimisation, mobilisation, and coercive centralisation. Grauvogel and von Soest show that sanctions can strengthen authoritarian rule if the regime manages to integrate their existence into its legitimisation strategy. Von Soest's later working paper develops the same point further by showing how authoritarian governments respond to sanctions through repression, co-optation, and narrative framing. In the Russian case, this implies that sanctions pressure may initially contribute not to liberalisation but to harder ideological closure, intensified control of information, and the reinforcement of a sovereignty-under-siege narrative. If the regime succeeds in translating external pressure into internal political cohesion among key supporters, then transformative expectations should be reduced accordingly^{3,4}.

The fourth cautionary condition is the continued availability of external support and intermediary channels. Transformative expectations should be restrained whenever the target retains broad access to third-country facilitation, shadow logistics, re-export channels, or alternative service ecosystems. The European Parliament's 2025 briefing and the Council's later sanctions communications make clear that, by 2025, circumvention via third countries and the shadow fleet had become one of the central operational challenges of the sanctions' regime. This is not a minor implementation issue. It means that Russia's external operating space, while narrowed, was not closed. As long as that remains true, sanctions are less likely to generate the kind of cumulative internal stress necessary for transformation. They may still degrade capacity and increase costs, but they do so in a more indirect and slower way^{5,6,7}.

The fifth cautionary condition is insufficient enforcement convergence inside the sender coalition. Transformative expectations should be limited where the sanctions regime remains formally broad but unevenly implemented. The European Parliament's 2023 study on implementation and monitoring emphasised that enforcement within the EU had developed through a highly decentralised structure and warned of practical confusion and contradictory legal interpretations across Member States. The Commission's July 2025 infringement action over incomplete transposition of Directive (EU) 2024/1226 added a fresh illustration of the same problem: even after agreement on stronger criminal-law tools, implementation remained incomplete across a large number of Member States. This is highly relevant to the question of transformation. A target state is less likely to revise its long-term political calculus if it perceives that sanctions are not uniformly enforced, that legal risks remain uneven, or that the sender coalition is still struggling to translate common rules into convergent practice^{8,9}.

The sixth cautionary condition is mixed empirical impact. Expectations of political transformation should be moderated whenever the sanctions record still shows significant pressure but not overwhelming systemic breakdown. The Brookings analysis by Itskhoki and Ribakova is especially relevant here because it argues that the impact of the unprecedented post-2022 sanctions on Russia has so far been mixed and has not significantly altered Russia's behaviour. This finding does not imply that sanctions have failed. It implies that the pathway from economic pressure to political

¹ Allen, D. (2023, May 24). *Imagining Russia's future after Putin: The economic system by end-2027*. Chatham House.

² von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

³ Ibid.

⁴ Grauvogel, J., & von Soest, C. (2014). *Claims to legitimacy count: Why sanctions fail to instigate democratisation in authoritarian regimes*. *European Journal of Political Research*, 53(4), 635–653.

⁵ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁶ Council of the European Union. (2025, October 23). *19th package of sanctions against Russia: EU targets Russian energy, third-country banks and crypto providers*.

⁷ European Commission. (n.d.). *Frequently asked questions — Sanctions against Russia*.

⁸ European Parliament. (2023, October). *Implementation and monitoring of the EU sanctions' regimes, including recommendations to reinforce the EU's capacities to implement and monitor sanctions*. Policy Department for External Relations.

⁹ European Commission. (2025, July 23). *Commission takes action to ensure complete and timely transposition of the Directive on the criminalisation of the violation of Union restrictive measures*.

transformation is much more uncertain than maximalist narratives assume. As long as the empirical record remains one of serious but incomplete degradation, transformation should be treated as a possible downstream effect rather than an already demonstrated tendency^{1,2}.

The seventh cautionary condition is uncertainty about the direction of transformation itself. Even where sanctions do contribute to internal change, the resulting transformation may not be liberal, democratic, or pro-Western. It may instead take the form of deeper authoritarian consolidation, greater militarisation of the economy, intensified centralisation, or a more closed and more repressive state structure. This caution follows directly from the literature on authoritarian resilience and from the report's earlier analysis of institutional mutation under pressure. It also follows from the EU's sanctions design, which is framed primarily around weakening Russia's war capacity and constraining harmful conduct rather than around any guaranteed model of domestic political transition. Expectations should therefore be restrained wherever analysts move too quickly from "pressure" to "democratisation". Sanctions may help transform a regime without transforming it in the hoped-for direction^{3,4,5}.

The conclusion of this subsection is therefore deliberately sober. Transformative expectations should be treated with caution when regime adaptability remains high, when costs can be shifted onto society, when sanctions reinforce authoritarian consolidation, when external intermediary channels remain open, when enforcement convergence is incomplete, when empirical impact remains mixed, and when the likely direction of change is uncertain. Under such conditions, sanctions may still be strategically valuable as instruments of degradation, containment, and long-duration pressure. What should be resisted is the temptation to read those functions too quickly as evidence of imminent political transformation. A cautious interpretation is not a pessimistic one. It is simply a more analytically responsible one^{6,7,8}.

Table 8.3.4-1. Conditions under which expectations of political transformation in Russia should be treated with caution

Cautionary condition	Why it matters	What it implies analytically
High adaptability of the regime	Re-routing, substitution, and shadow channels preserve operating space	Pressure remains real but less likely to produce quick political change
Cost transfer onto society	The regime can shield elites and strategic sectors while shifting burdens downward	Social hardship does not automatically become transformative political pressure
Authoritarian consolidation	Sanctions can be incorporated into repression and legitimisation strategies	External pressure may harden rather than liberalise the system
External support and facilitation	Third-country actors, shadow fleet, and enablers weaken closure	Transformation becomes slower, more contingent, and less direct
Incomplete enforcement convergence	Divergent implementation and delayed criminalisation reduce credibility	Broad legal scope does not automatically equal strong real pressure

¹ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

² Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

³ European Commission. (n.d.). *Sanctions adopted following Russia's military aggression against Ukraine*.

⁴ Grauvogel, J., & von Soest, C. (2014). *Claims to legitimacy count: Why sanctions fail to instigate democratisation in authoritarian regimes*. *European Journal of Political Research*, 53(4), 635–653.

⁵ von Soest, C. (2023, September). *How Authoritarian Regimes Counter International Sanctions Pressure*. GIGA Working Paper No. 336.

⁶ European Parliament. (2025, February 11). *EU sanctions against Russia 2025: State of play, perspectives and challenges*.

⁷ Itskhoki, O., & Ribakova, E. (2024). *The Economics of Sanctions: From Theory into Practice*. *Brookings Papers on Economic Activity*, Fall, 425–497.

⁸ Giumelli, F. (2024). *A Comprehensive Approach to Sanctions Effectiveness: Lessons Learned from Sanctions on Russia*. *European Journal on Criminal Policy and Research*, 30(2), 211–228.

Cautionary condition	Why it matters	What it implies analytically
Mixed empirical impact	Serious degradation can coexist with political continuity	Transformation should be treated as possible, not demonstrated
Uncertain direction of change	Regimes under pressure may mutate without democratising	“Transformation” may mean hardening, not opening

Authorship: prepared by the author on the basis of official EU institutional materials and other works

Sources:

- European Parliament. (2025, February 11). EU sanctions against Russia 2025: State of play, perspectives and challenges.
- European Parliament. (2023, October). Implementation and monitoring of the EU sanctions’ regimes, including recommendations to reinforce the EU’s capacities to implement and monitor sanctions.
- European Commission. (2025, July 23). Commission takes action to ensure complete and timely transposition of the Directive on the criminalisation of the violation of Union restrictive measures.
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General Conclusions

As a whole, the report leads to a clear overarching conclusion: the sanctions architecture of the European Union against the Russian Federation should be understood not as a temporary collection of punitive measures, but as a durable and increasingly sophisticated regime of European governance under conditions of prolonged geopolitical confrontation. Across Parts One to Eight, the central analytical finding has been that sanctions against Russia are not reducible to a single political act, a single package, or a single criterion of effectiveness. They operate as a cumulative system of political signalling, economic restriction, legal codification, hybrid disruption, and compliance-mediated transmission. Their real significance lies in the interaction of these dimensions rather than in the isolated effect of any one of them. The report has therefore demonstrated that the most serious error in public discussion is the continued use of a binary formula according to which sanctions either “worked” or “did not work”. That formula is too crude for the Russian case and too imprecise for a regime of this institutional density. What the evidence supports instead is a differentiated judgement: the EU sanctions regime has produced strong degradational, coordinative, legal, and compliance effects, while remaining structurally limited in its capacity for rapid direct coercion against a large adaptive authoritarian state.

A second general conclusion is that the sanctions regime has become strategically significant precisely because it has moved beyond declaratory politics and into the realm of repeatable institutional practice. Part One established that sanctions against Russia must be analysed as a structured field of policy rather than as episodic reaction, and the subsequent parts confirmed that proposition in substantive terms. Political measures framed the coalition position and fixed the boundary of non-normalisation. Economic measures materially narrowed Russia’s access to markets, finance, technologies, and logistics. Legal measures transformed political intention into a more durable normative order. Hybrid measures increasingly targeted the enabling systems through which Russia adapted. Compliance architecture converted formal law into day-to-day economic restraint. Taken together, these elements show that the EU has not merely sanctioned Russia; it has built a sanctions governance model. That institutional fact is itself one of the most important findings of the report.

The political track examined in Part Two should be judged as strategically important, though not because it forced an immediate reversal of Russian policy. Its real contribution has been to narrow Russia’s diplomatic room for manoeuvre, personalise responsibility, institutionalise non-normalisation, and stabilise coalition discipline across the EU and aligned partners. Individual restrictive measures, visa and diplomatic restrictions, and measures against information influence did not end the war. However, they did establish a durable framework in which continued aggression remained incompatible with normal political intercourse inside the European institutional space. That function should not be underestimated. In long-duration sanctions regimes, coalition coherence and normative clarity are part of effectiveness, not decorative supplements to it. Part Two showed that political sanctions work most convincingly when judged by delegitimation, signalling, and coordination rather than by narrow immediate compellence. For that reason, the political track remains indispensable through 2030 even where its direct coercive yield remains limited.

The economic track reviewed in Part Three has produced the strongest directly observable structural pressure on Russia. The report’s analysis of financial, energy, trade-industrial, and transport restrictions showed that the EU succeeded in sharply compressing one of the most important external interfaces of the Russian economy. This compression has not amounted to total isolation, nor did it generate systemic collapse. Yet it significantly worsened the conditions under which Russia can finance, insure, ship, import, service, and technologically reproduce a war economy. This is the correct level of interpretation. Economic sanctions have mattered not because they instantly destroyed the Russian economy, but because they progressively reduced the quality, flexibility, and external optionality of its reproduction. Part Three also demonstrated that the greatest value of economic sanctions lies in

cumulative long-term effects rather than in headline short-term shock. Their strongest strategic meaning is therefore degradational, not theatrical.

The social track analysed in Part Four requires more careful interpretation. Social sanctions were shown to be the most normatively constrained and politically delicate component of the entire sanctions' architecture. Their strategic utility lies less in inflicting broad hardship than in raising the cost of social normalisation, constraining status mobility, narrowing access to selected European services and conveniences, and increasing friction for elite-society interfaces linked to the Russian system. The report correctly insisted that social sanctions must not be judged by pain alone, because such a standard would be both ethically crude and analytically unsound. Their legitimacy depends on proportionality, precision, reversibility, and the existence of protected channels for humanitarian, educational, family, and other clearly justified interactions. Part Four therefore reached an important conclusion: social sanctions can remain strategically useful, but only if they are narrowly governed and continuously monitored for over-compliance, discrimination, and collateral social distortion. In other words, social sanctions are viable only as disciplined instruments, not as diffuse symbolic hostility. Their future through 2030 lies in calibrated constraint, not indiscriminate expansion.

The legal track examined in Part Five confirmed that sanctions durability depends heavily on legal quality. This part of the report demonstrated that restrictive measures do not remain effective merely because political will exists. They remain effective when the normative architecture is sufficiently clear, updateable, defensible under review, and translatable into consistent enforcement practice. The importance of clarity, precision, judicial defensibility, controlled derogations, and periodic review was one of the strongest recurring findings of the whole document. Legal sanctions matter because they make the broader regime governable. They reduce arbitrariness, preserve legitimacy, support proportionality, and increase resistance to erosion by litigation or fragmented interpretation. The report also showed, however, that legal sophistication can become a weakness if complexity outpaces usability. The principal conclusion of Part Five is therefore twofold: the EU's legal sanctions regime has become durable and strategically valuable, but its future strength depends on continued legal craftsmanship rather than formal accumulation alone.

Part Six demonstrated that hybrid sanctions have become central to the mature phase of the Russia regime. Once Russia adapted through intermediary jurisdictions, shadow logistics, service fragmentation, proxy structures, and enabling infrastructures, a more traditional sanctions model became insufficient on its own. Hybrid measures were shown to be especially important because they target the systems that keep restricted activity feasible under adaptive conditions. Their principal strengths lie in flexibility, cross-domain reach, anti-circumvention value, and the ability to destabilise enabling networks without requiring total redesign of the whole sanctions' regime. At the same time, Part Six also showed that hybrid sanctions are management-intensive. They depend heavily on evidence quality, partner alignment, institutional agility, and the capacity to distinguish lawful activity from facilitative adaptation. Their long-term value is therefore high, but conditional. If well maintained, they are among the most promising instruments through 2030. If poorly maintained, they risk becoming operationally diffuse and administratively exhausting.

Part Seven then demonstrated that compliance is not an auxiliary technical matter but the operational transmission mechanism of the entire sanctions' regime. This is one of the report's most important general conclusions. Political intention, legal drafting, and sectoral prohibitions achieve little unless they are converted into screening, due diligence, ownership checks, payment controls, audit trails, licensing practice, and risk-based refusal. Compliance architecture is the point at which sanctions law becomes market behaviour. It is also the point at which sanctions can fragment, overburden operators, or become formalistic if guidance and enforcement convergence are weak. Part Seven showed that high-quality compliance improves deterrence and disruption, while weak compliance turns even a formally strict regime into a porous one. It follows that the future of EU sanctions policy against Russia depends not only on what is prohibited, but on who can detect, interpret, document, and block risky transactions

in practice. Compliance is therefore not merely part of the regime; it is one of its decisive conditions of reality.

When Parts Two to Seven are read together, the main result is the confirmation of cumulative architecture as the true unit of strategic assessment. Sanctions have not exerted pressure on Russia through one dominant instrument alone. They have worked by layering listings, financial restrictions, export controls, service bans, asset freezes, transport constraints, anti-circumvention tools, and compliance systems over time. The strongest effects emerged where these measures reinforced one another. Political sanctions legitimised broader escalation. Economic sanctions created material pressure. Legal measures preserved enforceability. Hybrid measures prevented adaptation from stabilising too cheaply. Compliance systems transformed formal restrictions into repeated behavioural filters. This cumulative logic also explains why adaptation does not invalidate sanctions. Adaptation is part of the same field of analysis, because it reveals where the regime remains effective, where it leaks, and where enforcement quality becomes decisive.

Part Eight then added the necessary analytical caution. The report concluded that the EU sanctions regime has been strategically consequential, but that sanctions-based coercion against Russia is subject to deep structural limits. Russia is a large adaptive authoritarian state with a resource base, a coercive apparatus, experience of redistribution under pressure, and the ability to mobilise nationalist and statist narratives against external constraint. Such a state is not easily compelled into rapid policy reversal by sanctions alone. Direct coercion is therefore the least plausible standard by which to judge the regime. This does not reduce sanctions to irrelevance. It simply places them in their proper analytical category: they are better suited to cumulative degradation, strategic narrowing, and long-term alteration of the target's operating conditions than to instant capitulation. That distinction runs through the whole report and should remain central to its final message.

The report also showed that Russia's adaptation has been real, but not neutralising. Re-routing, third-country facilitation, shadow logistics, proxy entities, and fragmented service ecosystems have all reduced the directness of pressure. Yet they have done so at higher cost, under greater opacity, with longer chains, more risk, and greater dependence on fragile substitute infrastructures. The existence of workarounds is therefore not proof that sanctions failed. It is proof that the sanctions contest matured into a struggle over the viability of adaptation itself. That is why Parts Six and Seven are so important for the overall conclusions. They demonstrate that the decisive strategic question is no longer whether Russia can adapt at all, but whether adaptation can be made progressively less efficient, less scalable, and less secure. Where the answer is yes, sanctions remain strategically meaningful even without dramatic headline outcomes. Where the answer is no, legal proliferation risks outpacing real pressure.

Another important general conclusion concerns the sender side. The report showed repeatedly that the limits of sanctions are not only Russian. They also lie within the EU and the wider coalition. Unanimity requirements, administrative unevenness, transposition gaps, over-compliance, private-sector burden, interpretative complexity, and coalition management all shape what sanctions can achieve. The EU does not deploy sanctions as an unconstrained coercive technology. It deploys them as a law-governed, politically negotiated, and administratively managed instrument. This is not a weakness that can simply be wished away. It is part of the Union's institutional identity and part of the explanation for why sanctions are at once durable and limited. The report therefore correctly resisted maximalist fantasies of frictionless escalation. Effective sanctions policy requires not only external pressure, but also internal governability. Where the latter weakens, the former becomes less credible.

The risk of diminishing returns, examined in Section 8.2.4, is therefore real and should be treated seriously. Once the easiest targets have been hit and the most visible prohibitions are already in place, additional sanctions may produce smaller marginal returns unless they specifically improve closure, enforcement, or prioritisation. This is one of the most policy-relevant conclusions of the entire study. Future effectiveness depends less on announcing ever more sanctions in the abstract and more on making the existing architecture sharper, clearer, and harder to evade. Saturation does not mean futility.

It means that strategy must become more selective and more technically disciplined. Without that adjustment, the EU risks a regime that grows textually while weakening operationally. With that adjustment, the regime can remain strategically relevant through 2030.

Part Eight also reached an important conclusion on political transformation inside Russia. Sanctions may contribute to such transformation, but only indirectly and only through mediated channels. They do not provide a realistic stand-alone mechanism of immediate regime change. Their more plausible role lies in weakening fiscal room for manoeuvre, degrading technological reproduction, altering institutional routines, narrowing strategic options, and changing elite calculations over time. This conclusion is one of the strongest safeguards against both overstatement and passivity. It means sanctions should neither be dismissed because they have not toppled the regime nor celebrated as though they automatically will. Their transformative value is conditional, delayed, and intertwined with domestic political economy. That is a more sober conclusion, but also a more useful one.

The fiscal channel is especially important in this regard. As the report showed in Part Three and again in Section 8.3, durable pressure on energy revenues, transport costs, reserves, and financial access can gradually tighten the material environment in which the Russian state allocates resources between war, repression, elite balancing, and social stabilisation. Such pressure does not operate in a politically neutral system. It affects a rent-based governing structure in which the capacity to distribute benefits and offset losses is crucial for regime maintenance. If sanctions progressively narrow that capacity, their influence may become politically significant even without immediate visible rupture. The key point is not whether sanctions create hardship in the abstract, but whether they intensify trade-offs inside the governing core. The report was right to insist on this distinction. Political transformation, if it comes, will be far more likely to emerge from altered regime management than from undirected social pain alone.

The technological and service channels may be even more important over the medium and long term. Parts Three and Six demonstrated that modern sanctions against Russia are no longer centred only on generic trade reduction. They increasingly focus on critical technologies, advanced components, machine tools, dual-use items, specialised services, infrastructure support, maritime facilitation, and the enabling systems of military-industrial reproduction. This matters because authoritarian resilience can coexist with slow deterioration in technological quality and strategic autonomy. A regime may endure politically while losing the ability to modernise efficiently, project power at the same level, or sustain militarised external confrontation at acceptable cost. Such erosion is not theatrical, but it is transformative in strategic terms. It changes what the regime can do, what it can afford, and how it must organise itself internally to compensate. By 2030, these pressures may matter more than early headline shocks.

The institutional and elite-level channels should also be emphasised. The report repeatedly showed that sanctions may contribute to a mutation of governance rather than immediate liberalisation. Prolonged external pressure can lead to tighter central allocation, more coercive administrative coordination, greater dependence on narrow external partners, deeper fusion of political and security structures, and more explicit hierarchy in state-business relations. At the same time, elite calculations may shift as external access narrows, rent competition intensifies, and long-term expectations become less secure. None of this guarantees fragmentation, and it may initially deepen authoritarian hardening. Yet it remains one of the most plausible mechanisms through which sanctions can matter politically inside Russia. The main conclusion here is therefore conditional but important: sanctions can shape political transformation, but mostly by altering internal structures and incentives rather than by triggering immediate public reversal. That is the most defensible interpretation of the available evidence.

Looking ahead to 2026–2030, the report supports a cautiously firm baseline judgement. The sanctions regime is likely to remain strategically relevant throughout this period, but only if the EU preserves its current shift from breadth to governed effectiveness. The future will not be decided by package count alone. It will be decided by whether the Union can maintain political unity, improve anti-circumvention performance, preserve legal resilience, support operator compliance, and keep adapting faster than

Russian workarounds stabilise. Some sanctions domains will remain especially durable because they constrain access to difficult-to-replace technologies, specialist services, financial infrastructures, and legitimising channels of international presence. Others will require more selective recalibration because of legitimacy thresholds, coalition burden, or diminishing marginal returns. This is exactly why the report framed 2026–2030 as a period of managed refinement rather than simple escalation. The real issue is not whether sanctions continue, but how intelligently they continue.

In the political domain, the main recommendation is to preserve the regime of non-normalisation while deepening personalisation and network mapping. Listings should continue to evolve from static naming of prominent figures towards more systematic inclusion of transit elites, para-state structures, facilitative intermediaries, and actors involved in sanctions evasion, occupation administration, war propaganda, and strategic logistics. Diplomatic restrictions should remain tied to substantive behavioural benchmarks rather than relaxed through fatigue or symbolic “reset” gestures. Information-influence restrictions should also be maintained and periodically updated, with special attention to migration into new platforms, legal entities, and dissemination channels. The principal objective should not be theatrical expansion for its sake, but sustained denial of reputational and institutional normality to the Russian state and its support structures. Political sanctions are strongest when they keep the environment of engagement conditional and visibly contingent. That function will remain important through 2030 regardless of the military calendar.

In the economic domain, the report supports continued tightening where measures directly affect Russia’s war-sustaining capacities and long-term reproduction mechanisms. Financial sanctions should move further towards closure of high-risk payment infrastructures, stricter controls on enabling non-EU banks and financial intermediaries, and better coordination around crypto-related facilitation. Energy sanctions should continue the decoupling logic developed in Part Three, especially in relation to oil transport services, LNG-linked vulnerabilities, specialised shipping support, and the broader energy-decoupling agenda. Trade-industrial and technology restrictions should remain focused on high-value choke points rather than on symbolic overbreadth. Machinery, advanced components, dual-use ecosystems, specialised software, maintenance services, certification, and engineering support are likely to remain more strategically consequential than generic volume restrictions. Transport and logistics restrictions should continue to shift from route visibility to infrastructure denial. The economic recommendation is therefore clear: pressure should deepen where it degrades reproduction, not merely where it enlarges formal prohibition.

In the legal domain, the strongest recommendation is continued investment in precision, usability, and review discipline. The report demonstrated that legal durability is one of the main conditions of long-term sanctions effectiveness. The next phase should therefore privilege clearer drafting, more stable conceptual architecture, better recital-to-rule coherence, and more structured distinction between prohibitions, derogations, and exemptions. Derogations should not be treated as weakness if they protect legitimate pathways and reduce over-compliance. They should be designed as controlled legal corridors that strengthen proportionality without opening systematic loopholes. The legal quality feedback loop proposed in Part Five should become a standing feature of sanctions governance. That includes periodic review, targeted correction of ambiguity, and stronger integration of enforcement lessons into normative revision. The EU will preserve more leverage by improving legal craftsmanship than by allowing complexity to drift.

In the hybrid and anti-circumvention domain, the report supports a much more network-oriented strategy. The period to 2030 will almost certainly remain defined by intermediary jurisdictions, shadow shipping, layered ownership structures, proxy commercial channels, and re-export chains. The EU should therefore continue moving from transaction-focused sanctions to enabling-system sanctions where the evidence supports it. That means (1) better mapping of shipping, registry, insurance, and service ecologies; (2) tighter pressure on repeat intermediary nodes; (3) more systematic use of beneficial-ownership intelligence; and (4) closer alignment with partner jurisdictions on high-risk sectors and routes. Hybrid sanctions are especially valuable because they raise the cost of adaptation

without requiring total redesign of the regime. However, they only work if they remain fast, evidence-based, and operationally supported. Through 2030, the most effective hybrid strategy will be one that behaves like a continuously managed system of adaptive constraint rather than a static body of prohibitions.

In the compliance domain, the report's recommendations are equally clear. Enforcement convergence across Member States must improve if the regime is to preserve sharpness. Screening, listing checks, beneficial-ownership verification, export and re-export due diligence, payment and insurance controls, audit trails, and internal escalation procedures must all remain central, but they must become more usable, better prioritised, and less fragmented. Public guidance should remain dynamic and more user-oriented, especially for operators outside the largest banks and multinationals. The Commission's support role should continue to expand in ways that strengthen interface clarity rather than merely adding more formal obligations. Compliance effectiveness through 2030 will depend on identifying the channels that matter most and focusing pressure there. A bureaucratically dense but strategically blunt compliance regime would be one of the main risks of the next phase. The recommendation is therefore enforcement sophistication, not procedural sprawl.

In the social domain, the report recommends caution combined with strategic discipline. Social sanctions should not become an arena for generalised punitive symbolism against Russian society. That would be both ethically weak and strategically counterproductive. Instead, the Union should preserve a model of socially visible but normatively bounded restriction: targeted mobility friction, constrained elite normalisation, carefully delimited access barriers where politically justified, and explicit protection of humanitarian, educational, family, and civil-society channels where legitimate. Governance against over-compliance and discrimination should remain a standing requirement. Social sanctions remain useful where they increase the reputational and practical cost of normality for aggression-linked actors, but they lose legitimacy where they drift into collective exclusion. The social conclusion of the report is therefore one of controlled selectivity. Through 2030, this domain should be maintained, but under stricter ethical and legal discipline than some other sanctions tracks.

A crucial conclusion concerns the relationship between sanctions and a possible future peace agreement between Russia and Ukraine. The report strongly supports the proposition that many sanctions directions should not be lifted automatically merely because a peace treaty is signed in the period 2027–2030. A peace agreement, if it occurs, would be a major political development, but it would not by itself resolve the structural issues that gave rise to the sanctions' regime. If the treaty were to coexist with unresolved accountability questions, fragile verification, unreversed military capability, preserved coercive infrastructure, ongoing occupation-related effects, or intact circumvention and war-support networks, then automatic normalisation would be strategically illogical. Parts Five to Eight make this point especially strongly. The sanctions' regime is not justified only by the existence of active battlefield operations. It is also justified by the need to manage risk, prevent rapid remilitarised regeneration, preserve leverage, and ensure that any settlement is not used as a pause for reconstruction of coercive capacity. In policy terms, the distinction between ceasefire, treaty signature, implementation, compliance, and durable settlement conditions is therefore essential.

For that reason, the report supports a principle of *conditional easing without automatic restoration*. Some sanctions' categories could in the future become subject to calibrated suspension, narrowing, or staged adjustment if clearly verifiable conditions were met. However, other categories should remain in force until there is reliable evidence of non-recurrence, verifiable compliance with settlement obligations, meaningful reduction of war-enabling capacity, and dismantling of key circumvention infrastructures. Travel and diplomatic measures may be more adjustable at the margins than dual-use controls, shadow-fleet restrictions, critical technology denial, or asset-related legal measures. Social restrictions may be narrowed earlier than network-based anti-circumvention controls if legitimacy and monitoring considerations favour that outcome. Yet none of this supports wholesale rollback. The correct principle is functional differentiation, not symbolic "peace dividend" normalisation. A mature

sanctions policy after a treaty would therefore remain conditional, benchmark-based, and strategically sequenced.

The logic for preserving many sanctions directions after a future peace treaty is especially strong in five areas. First, technology and dual-use restrictions should remain because military-industrial regeneration can occur far faster than political trust. Secondly, financial and asset-related restrictions should remain because reserve access, capital mobility, and high-risk financial channels are central to the reconstruction of coercive capability. Thirdly, anti-circumvention and hybrid measures should remain because the enabling systems built during wartime do not vanish automatically at the signing table. Fourthly, compliance architecture should remain because easing without continued due diligence would create immediate loopholes and legal confusion. Fifthly, at least part of the political and diplomatic non-normalisation framework should remain because premature restoration of normal status would weaken deterrence and reward incomplete behavioural change. The report therefore rejects any simplistic equivalence between peace signature and sanctions obsolescence. Sanctions in the 2027–2030 context should be treated as instruments of settlement enforcement as well as of wartime pressure.

A realistic 2027–2030 strategy should therefore be built around benchmarks rather than hopes. These benchmarks should include verified implementation of treaty provisions, withdrawal and non-recurrence conditions where applicable, durable compliance mechanisms, cooperation with settlement-related monitoring, reduction of sanctions-relevant military and facilitation capacities, and visible contraction of circumvention infrastructures. Easing should be reversible, staged, and linked to review intervals rather than granted as a one-off political concession. Such a model would be fully consistent with the logic developed across Parts Two to Seven and analytically reinforced in Part Eight. It would also be consistent with the report's broader understanding of sanctions as governance instruments rather than one-step punitive episodes. The main purpose would not be to preserve sanctions for symbolic reasons, but to use them rationally as part of a post-war security architecture. In that setting, continuation of many sanctions would be not excessive but prudent.

The final strategic judgement of this report is therefore balanced but firm. The EU sanctions architecture against Russia has not delivered a rapid coercive breakthrough, and no serious reading of the evidence should pretend otherwise. Yet it has generated substantial cumulative pressure, degraded capabilities, narrowed strategic options, strengthened coalition discipline, and matured into a durable field of European governance. Its greatest significance lies in the fact that it has restructured the terms under which Russia can interact with Europe and the wider sanctions coalition. It has also created a policy architecture that can remain relevant beyond the current phase of the war, including in any future settlement context. The main lesson of the report is that sanctions against Russia should be judged by strategic depth, cumulative effect, and governance quality rather than by impatience for instant political collapse. Measured against those criteria, the regime has been consequential, imperfect, but durable. Its continuation to 2030 is not only logical; under most plausible scenarios, it is strategically necessary.

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SCIENTIFIC EDITIONS

Alexander Buychik

THE EU SANCTIONS ARCHITECTURE AGAINST RUSSIA:
EFFECTIVENESS, LIMITS, AND STRATEGIC OPTIONS FOR 2026–2030

Computer typesetting — Tuculart Studio

Signed for editing on March 20, 2026.

Format: ISO 216, 8.27*11.69 in. (21.0*29.7 cm)

Tuculart Edition European Institute for Innovation Development
Czechia, 71000, Ostrava, Slezská Ostrava, Záměstní, 1155/27
Czechia, 74752, okr. Opava, Hlavnice, 163
Websites: <https://tuculart.eu>, <https://eiid.eu>
Emails: pub@tuculart.eu, pub@eiid.eu, eiid.ostrava@gmail.com

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