

SIN. No.5/2022

13 April 2022

SDM 05.13.008

### SANCTIONS INFORMATION NOTICE

To all Registered owners, Registered bareboat charterers Managers and Representatives of ships flying the Cyprus Flag

To all Owners, Managers, Representatives and Agents in Cyprus of Ships, irrespective of flag they are flying, calling at Cyprus ports

c/o Cyprus Shipping Chamber c/o Cyprus Union of Shipowners c/o Cyprus Shipping Association

### Subject: <u>New European Union restrictive measures in view of the gravity of the situation</u> in Ukraine

- I refer to the above subject and further to SDM Circulars No.10/2014, No. 21/2014, No. 23/2014 and to Sanctions Information Notices (SINs) No. 15/2017, No.7/2018, No.1/2022, No.2/2022 & No.4/2022, I wish to inform you of the recent adoption of the following additional European Union restrictive measures in view of the gravity of the situation in Ukraine reflected in five new legal acts adopted on 08.04.2022:
  - I. European Union restrictive measures amending Council Decision 2014/145/CFSP concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine:
    - Council Decision (CFSP) 2022/582<sup>1</sup> of 8 April 2022:

This Decision adds 216 individuals and 18 entities to the list of persons, entities and bodies subject to restrictive measures set out in the Annex to Decision 2014/145/CFSP.

II. European Union restrictive measures implementing Council Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine:

<sup>&</sup>lt;sup>1</sup> <u>https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022D0582&from=EN</u>

### • Council Regulation (EU) 2022/580<sup>2</sup> of 8 April 2022:

This Regulation amends Regulation (EU) No 269/2014 in order to implement Decision (CFSP) 2022/582 amending Decision 2014/145/CFSP that introduced further derogation options from the asset freeze and the prohibition to make funds and economic resources available to designated persons and entities.

### • Council Implementing Regulation (EU) 2022/581<sup>3</sup> of 8 April 2022:

This Regulation adds 216 individuals and 18 entities to the list of persons, entities and bodies subject to restrictive measures set out in Annex I to Regulation (EU) No 269/2014.

# III. European Union restrictive measures amending Council Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine:

### • Council Decision (CFSP) 2022/578<sup>4</sup> of 8 April 2022: This Decision introduces further restrictive measures which include the following:

A. <u>Prohibition on access to EU ports with respect to vessels registered under the flag of Russia</u>

New Article 4ha provides as follows:

1. It shall be prohibited after 16 April 2022 to provide access to ports in the territory of the Union to any vessel registered under the flag of Russia.

2. Paragraph 1 shall apply to vessels that have changed their Russian flag or their registration, to the flag or register of any other State after 24 February 2022.

- 3. For the purposes of this Article, a vessel means:
- (a) a ship falling within the scope of the relevant international conventions;
- (b) a yacht, of 15 metres in length or more, which does not carry cargo and carrying no more than 12 passengers; or
- (c) recreational craft or personal watercraft as defined in Directive 2013/53/EU of the European Parliament and of the Council.

4. Paragraph 1 shall not apply in the case of a vessel in need of assistance seeking a place of refuge, of an emergency port call for reasons of maritime safety, or for saving life at sea.

5. By way of derogation from paragraph 1, the competent authorities may authorise a vessel to access a port, under such conditions as they deem appropriate, after having determined that the access is necessary for:

<sup>&</sup>lt;sup>2</sup> <u>https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R0580&from=EN</u>

<sup>&</sup>lt;sup>3</sup> https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R0581&from=EN

<sup>&</sup>lt;sup>4</sup> https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022D0578&from=EN

- (a) the purchase, import or transport into the Union of natural gas and oil, including refined petroleum products, titanium, aluminium, copper, nickel, palladium, iron ore, as well as certain chemical and iron products;
- (b) the purchase, import or transport of pharmaceutical, medical, agricultural and food products, including wheat and fertilisers whose import, purchase and transport is allowed under this Decision;
- (c) humanitarian purposes;
- (d) transport of nuclear fuel and other goods strictly necessary for the functioning of civil nuclear capabilities; or
- (e) the purchase, import or transport into the Union of coal and other solid fossil fuels, until 10 August 2022.

6. The Member State concerned shall inform the other Member States and the Commission of any authorisation granted under paragraph 5 within two weeks of the authorisation.

7. The Union shall take the necessary measures in order to determine the relevant items to be covered by this Article.

## B. <u>Other prohibitions introduced by Council Decision (CFSP) 2022/578 of 8 April</u> 2022

Council Decision (CFSP) 2022/578 inter alia:

- extends the prohibition on deposits to crypto-wallets<sup>5</sup>;
- extends the prohibitions on the export of euro-denominated banknotes and on the sale of euro-denominated transferrable securities to all official currencies of the Member States<sup>6</sup>;
- prohibits the award and continued execution of public contracts and concessions<sup>7</sup> with Russian nationals and entities or bodies established in Russia;
- prohibits the **provision of support, including financing and financial assistance** or any other benefit from a Union, Euratom or Member State programme to Russian publicly owned or controlled entities;
- introduces a prohibition on registering, providing a registered office as well as management services to a trust or any similar legal arrangement, being a beneficiary, acting as trustee or in similar capacities for Russian persons and entities<sup>8</sup>;
- restricts exports of jet fuel<sup>9</sup> and other goods to Russia;

<sup>&</sup>lt;sup>5</sup> new Article 1b of Decision 2014/512/CFSP as amended.

<sup>&</sup>lt;sup>6</sup> new Article 1f of Decision 2014/512/CFSP as amended.

<sup>&</sup>lt;sup>7</sup> new Article 1h of Decision 2014/512/CFSP as amended.

<sup>&</sup>lt;sup>8</sup> new Article 1j of Decision 2014/512/CFSP as amended.

<sup>&</sup>lt;sup>9</sup> new Article 4d of Decision 2014/512/CFSP as amended.

- introduces import restrictions of coal and other solid fossil fuels<sup>10</sup>. This prohibition shall not apply to the execution until 10 August 2022 of contracts concluded before 9 April 2022;
- extends the exemption from the prohibition to engage in transactions with certain State-owned entities to Switzerland, the European Economic Area and the Western Balkans;
- introduces a prohibition to purchase, import, or transfer, directly or indirectly, goods which generate significant revenues for Russia thereby enabling its actions destabilising the situation in Ukraine into the Union if they originate in Russia or are exported from Russia<sup>11</sup>;
- introduces a prohibition to sell, supply, transfer or export, directly or indirectly, goods which could contribute in particular to the enhancement of Russia's industrial capacities to any natural or legal person, entity or body in Russia or for use in Russia<sup>12</sup>;
- amends or introduces certain derogations in relation to the restrictions on dual-use goods and technologies, goods and technologies which might contribute to Russia's military and technological enhancement or the development of its defence and security sector, goods and technology suited for use in aviation or the space industry, jet fuel and fuel additives, and luxury goods.
- *IV.* European Union restrictive measures amending Council Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine:

### • Council Regulation (EU) 2022/576<sup>13</sup> of 8 April 2022:

This Regulation introduces amendments to Council Regulation (EU) No 833/2014 in order to take regulatory action at the level of the Union to implement the amendments adopted by Decision (CFSP) 2022/578 as analysed above.

In particular, the following provisions are noted:

- The prohibition on **access to ports** (as described above in point A) is contained in **new Article 3ea** of Council Regulation (EU) No 833/2014 as amended;
- New **Annex XX** of the Regulation **lists jet fuel and fuel additives** (relevant to the prohibition imposed by new Article 3c);
- New **Annex XXI** of the Regulation lists the goods which generate significant revenues for Russia thereby enabling its actions destabilising

<sup>&</sup>lt;sup>10</sup> new Article 4I of Decision 2014/512/CFSP as amended.

<sup>&</sup>lt;sup>11</sup> new Article 4k of Decision 2014/512/CFSP as amended.

<sup>&</sup>lt;sup>12</sup> new Article 4m of Decision 2014/512/CFSP as amended.

<sup>&</sup>lt;sup>13</sup> <u>https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R0576&from=EN</u>

the situation in Ukraine (relevant to the prohibition imposed by new Article 3i<sup>14</sup>). This Annex includes the following:

- Cruise ships, excursion boats, ferry-boats, cargo ships, barges and similar vessels for the transport of persons or goods
- Tugs and pusher craft
- Light-vessels, fire-floats, dredgers, floating cranes, and other vessels the navigability of which is subsidiary to their main function; floating docks; floating or submersible drilling or production platforms;
- New Annex XXII of the Regulation lists the coal and other solid fossil fuel products (relevant to the prohibition imposed by new Article 3j);
- New Annex XXIII of the Regulation lists goods which could contribute in particular to the enhancement of Russian industrial capacities (relevant to the prohibition imposed by new Article 3k<sup>15</sup>). This Annex includes vessels in the listed goods;
- New **Annex XXIV** of the Regulation lists certain **chemical and iron products** relevant to the prohibition on access to ports and the derogations that may apply (prohibition imposed by new Article 3ea).
- 2. A regularly updated list of all the European Union restrictive measures may be found on the website of the Official Journal of the European Union (<u>https://eur-lex.europa.eu/oj/direct-access.html</u>) and on the **EU Sanctions Map** (<u>https://www.sanctionsmap.eu/#/main</u>).

In addition, the "European Union Consolidated Financial Sanctions List", regularly updated by DG FISMA, may be found on below link <u>https://webgate.ec.europa.eu/europeaid/fsd/fsf/public/files/pdfFullSanctionsList/content?to</u> ken=dG9rZW4tMjAxNw.

In view of the gravity of the situation in Ukraine, it is stressed that, the relevant restrictive measures are subject to constant review by the European Union thus, it is advisable to regularly consult the aforementioned links.

3. Furthermore, additional information in view of the gravity of the situation in Ukraine may be found on the **specialised link** created on the SDM website titled "Information in view of the gravity of the situation in Ukraine":

(https://www.dms.gov.cy/dms/shipping.nsf/all/75954F9E737CE2DCC225880E00321DEB? opendocument).

<sup>&</sup>lt;sup>14</sup> Paragraph 1 of Article 3i states as follows: "It shall be prohibited to purchase, import, or transfer, directly or indirectly, goods which generate significant revenues for Russia thereby enabling its actions destabilising the situation in Ukraine, as listed in Annex XXI into the Union if they originate in Russia or are exported from Russia."

<sup>&</sup>lt;sup>15</sup> Paragraph 1 of Article 3k states as follows: "It shall be prohibited to sell, supply, transfer or export, directly or indirectly, goods which could contribute in particular to the enhancement of Russian industrial capacities as listed in Annex XXIII, to any natural or legal person, entity or body in Russia or for use in Russia."

4. All recipients of the present Sanctions Information Notice are invited to take note of its content and should strictly abide by the provisions of *The Implementation of the Provisions* of the U.N. Security Council Resolutions or Decisions (Sanctions) and the E.U. Council Decisions and Regulations (Restrictive Measures) Law of 2016 (Law 58(I)/2016), as well as the EU Instruments implemented by virtue thereof, and SDM Sanctions Information Notices.

This Sanctions Information Notice, which is intended solely as a guidance document, must be placed on board vessels flying the Cyprus flag.

Ioannis Efstratiou for Acting Permanent Secretary

- Cc: Permanent Secretary, Ministry of Transport, Communications and Works,
  - Attorney General of the Republic
  - Permanent Secretary, Ministry of Foreign Affairs
  - Permanent Secretary, Ministry of Defence
  - Permanent secretary, Ministry of Energy, Commerce and Industry
  - Diplomatic Missions and Honorary Consular Officers of the Republic
  - Maritime Offices of the Shipping Deputy Ministry abroad
  - General Manager, Cyprus Ports Authority
  - Director, Department of Customs and Excise
  - Registrar of Companies
  - Commander, Cyprus Marine Police
  - Cyprus Bar Association
  - Institute of Certified Public Accountants of Cyprus

LMK/ATP