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Russian sanctions – FHM Client Alert underlines designation risk



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In reaction to a recent spate of new designations by the U.S. authorities against Russia, the Club's U.S. lawyers Freehill, Hogan & Mahar (FHM) have produced a helpful [Client Alert](#) which summarises the actions taken.

As well as new provisions around diamonds, the primary shipping focus is the designation of entities said to be involved in the shipment of Russia oil in breach of the G7 Coalition's Price Cap Scheme and Sovcomflot in particular, with FHM noting that these "designations reflect OFAC's steps to target Russian entities found to be working in Russia's "shadow operations".

It should be noted however that in making nearly three hundred designations which are not limited to just U.S. persons, OFAC has made clear that it will act in the broadest scope in enforcing U.S. sanctions - as FHM observe, "OFAC specifies in the press release that it will "continue to impose sanctions on persons, wherever located", again showing their commitment to targeting persons outside of U.S. covered persons."

Members are therefore reminded of the absolute necessity of exercising the appropriate due diligence to ensure that they are not engaging in sanctionable activity and that those engaged in the Russian oil trades are in full compliance with the recently revised requirements for attestations and the supply of ancillary information (for full details please see our [Notice to Members No.19 2023/2024](#)). There is no cover for any sanctionable activity or activity which risks the Club being exposed to sanctions.

Members with any questions about this or any other sanctions matters are asked to **contact the Managers**.