

Sanctions 25 Apr, 2018

## Russia – Increased Sanctions – Rusal & Trade with Entities on SSI List

Further to our News Item of 18 April 2018, the inclusion of United Company Rusal PLC (“Rusal”) in the amended U.S. SDN list has caused considerable confusion and disruption in the aluminium trades since Rusal are a major shipper of both raw and finished commodities. In light of this OFAC has now issued two licences which, in effect, permit parties to continue trading with Rusal until 23 October 2018 in order to be able to wind down their activities and contractual commitments. A Client Alert from the Club’s U.S. attorneys Freehill Hogan & Mahar providing further details of this development can be found [here](#) U.S Modifies Russian Sanctions.

Also in our 18 April News Item we mentioned that trade with entities who are only on the U.S. Sectoral Sanctions Identification (SSI) list would not be considered “significant” and therefore not in breach of the latest U.S. restrictions on trading with SDNs so long as the trade does not involve a deceptive practice. The Club is advised this means in practice that so long as Members who are carrying cargoes for entities on the SSI List are completely straightforward in their description of the cargoes, ports, shippers and receivers then the transaction would not be classified as “significant”. Members are therefore advised to ensure that all carriage documentation properly and accurately represents the correct parties to the transaction and the nature of the cargo concerned.

For trade with parties other than Rusal who are on the SDN list, attempts are still being made to clarify more precisely what is meant by a “significant” transaction. Members will be kept updated but those with specific questions concerning these measures and any other sanctions matters should contact the Managers.