**News from export control:**

**Russia/Belarus embargo – 18th EU sanctions package of July 18, 2025**

For a good year, things appeared relatively calm for importing and exporting companies: While the 14th package of sanctions tightening the embargo on Russia and Belarus on June 24 and 29, 2024, still included such "exotic" and far-reaching innovations as a "best efforts obligation" and a "due diligence obligation" or provided for extensions to the "no-Russia clause" and introduced a "no-Belarus clause" for the first time, the following sanctions packages Nos. 15, 16, and 17 contained no major surprises or significant innovations, at least for trade: As expected, the lists of names and goods were expanded, the best efforts and due diligence obligations and the already familiar service and software bans were extended once again, and the Belarus embargo was brought even more into line with the Russia embargo. However, the focus of the embargo tightening was more on the "shadow fleet," further restrictions on access to airports, ports, and locks, and measures against Russian oil and gas exploration and production.

What changes does the 18th package of sanctions of July 18, 2025, bring for importing and exporting companies?

**Announcement: "Strength is the only language Russia will understand."**

The 18th package of sanctions announced by the EU at the beginning of June 2025 was described in the relevant media as a particularly drastic and harsh measure, if not the harshest since February 2022. Essentially, the aim will be to target two areas in particular: the Russian energy sector and the banking sector. The new EU sanctions package will provide for measures to prevent the recommissioning of Nord Stream 1 and 2, as well as an import ban on Russian gas; the oil price cap will be lowered; additional ships in the shadow fleet will be listed; and an import ban on products refined from Russian crude oil will be imposed. Furthermore, banks involved in circumventing existing sanctions will be sanctioned; the ban on the use of the SWIFT system will be extended to include additional Russian banks; and sanctions will be imposed on the Russian Direct Investment Fund. Fearing a complete halt to supplies of gas, oil, and nuclear fuel from Russia, Slovakia then threatened to veto the prepared sanctions package, and Malta, Greece, and Cyprus also raised concerns, as they feared disadvantages for domestic shipping companies if the oil price cap were lowered too much.

In light of these announcements, trading and distribution companies maybe felt that they will not be significantly affected by the 18th package of sanctions. However, the discussion surrounding the energy sector has overshadowed the fact that the EU had also announced further export bans on dual-use goods, critical technologies, and industrial goods, with a focus on machinery, metals, plastics, and chemicals worth more than €2.5 billion, as well as supplementary measures to prevent the circumvention of sanctions, which were then actually implemented with the 18th sanctions package of July 18, 2025 (which came into force on July 20, 2025).

**Russia: Regulation (EU) No. 833/2014**

Amendments to Regulation (EU) No. 833/2014, and in particular to the goods-related measures, were made by **Regulation (EU) 2025/1494 of July 18, 2025**:

***Export bans: Amendment to goods lists***

Article 2a(1) and Article 3k(1) of Regulation (EU) No 833/2014 prohibit the sale, export, supply, or other transfer of the goods and technology listed in Annex VII and Annex XXIII, respectively, directly or indirectly, to natural or legal persons, organizations, or entities in Russia or for use in Russia. Both annexes have now been expanded again. In Annex VII, Part A, Category VIII, a new section X.C.VIII.005 has been added, which contains various chemical components for fuels. In Part B, Table 5 "Machine tools, equipment for additive manufacturing and related goods" has been revised and supplemented with goods falling under CN codes 8456 30 and 8456 50. No exceptions are provided for contracts that have already been concluded.

Annex XXIII has been completely revised. The newly added goods are listed in the new Annexes XXIIIE and XXIIIF. In accordance with Article 3k(3ah) and (3ai), these new goods are subject to temporary exceptions for contracts concluded before July 20, 2025, until October 21 and January 21, 2026. For goods falling under CN code 3402 90, an authorization may also be granted in accordance with Article 3k(5i) if the goods are necessary for the fulfillment of contracts concluded before January 1, 2025. Furthermore, pursuant to Article 3k(5h), an authorization may be granted in respect of goods falling under CN code 8422 30 if the goods are necessary for the packaging of food, beverages, and pharmaceuticals.

Article 3k(1a) of Regulation (EU) No. 833/2014 prohibits the transit through Russian territory of goods and technologies listed in Annex XXXVII that are exported from the Union. This annex has also been revised. New additions include goods falling under CN codes 7308 90, 8419 50, 8419 89, 8419 90, 8479 82, 8701 21, 8716 39, and 8716 90.

***Export bans: Other***

Recital (7) of Regulation (EU) 2025/1494 of July 18, 2025 clarifies that the prohibition on *indirect* exports specifically and in particular also covers deliveries via third countries. In order to counteract circumvention of the embargo measures in such cases, a "catch-all mechanism" already known from the Dual-Use Regulation has been introduced (new Article 2a(1aa) of Regulation (EU) No. 833/2014), initially only in relation to the goods listed in Annex VII: With immediate effect, the export of goods and technologies listed in Annex VII to third countries other than Russia requires an authorisation if the exporter has been informed by the competent authority that the goods and technologies are or may be intended, in whole or in part, for natural or legal persons, organisations or institutions in Russia or for use in Russia. Unlike in Article 4(2) of the Dual-Use Regulation, however, no obligation has been included for the exporter to inform the authority if he has otherwise become aware of end use in Russia. Such a provision is, however, not necessary because, on the one hand, it has been clarified that the prohibition on indirect exports remains unaffected, i.e., the exporter remains responsible (even without notification by the authority) for preventing re-exports to Russia. On the other hand, according to Article 6b of Regulation (EU) No. 833/2014, there is in any case a "duty on everyone" to provide the authorities with all information that facilitates the implementation of the embargo measures and to cooperate with the authorities in verifying such information.

***Import bans***

With the 18th package of sanctions, a new Article 3ma was added to Regulation (EU) No. 833/2014. According to this, from January 21, 2026, it will be prohibited to directly or indirectly purchase petroleum products falling under CN code 2710 (various oils and oil preparations, e.g. also lubricating oils, motor oils, fuels) directly or indirectly, if they were obtained in a third country from crude oil falling under CN code 2709 00 originating in Russia. In addition, the usual prohibition on the provision of technical assistance, brokering services, financing or financial assistance, as well as insurance and reinsurance in connection with the import ban, applies. Importers must also provide proof of the country of origin of the crude oil used to refine the product in a third country at the time of import, unless the product is imported from a partner country listed in Annex LI (Canada, Norway, UK, USA, Switzerland).

***Military goods***

Article 4 of Regulation (EU) No. 833/2014 has also been amended. Previously, it "only" prohibited the provision of technical assistance, brokerage services, financing, or financial assistance in connection with the goods and technologies listed in the Common Military List, while the actual export ban on military equipment is regulated at the national level, in Germany in Section 74 of the Foreign Trade and Payments Ordinance (AWV), and the corresponding import ban is found in Section 77 AWV. Article 4 has now been revised and paragraph 1(a) now also contains on an European level an export ban (sale, delivery, transfer, export) and paragraph 1(c) an import ban (purchase, import, transport) with regard to goods on the Common Military List.

**Russia: Regulation (EU) No. 269/2014**

With regard to the person-related sanctions, **Implementing Regulation (EU) 2025/1476 of July 18, 2025**, expanded Annex I to Regulation (EU) No. 269/2014 to include 14 natural persons and 41 legal entities, organizations, and institutions. These include (not for the first time) several companies from China and Hong Kong, as well as from the United Arab Emirates, but also from India and Singapore, for example. Since, pursuant to Article 2(2) of Regulation (EU) No. 269/2014, no funds or economic resources (in particular commercial goods) may be made available, either directly or indirectly, to any of these sanctioned natural and legal persons, organizations, and entities, the sanctions are by no means limited to business relationships with a connection to Russia. Prior screening of potential business partners is required in all cases.

**Belarus: Regulation (EC) No. 765/2006 (Part I)**

Amendments relating to goods-related measures under Regulation (EC) No. 765/2006 were made by **Regulation (EU) 2025/1472 of July 18, 2025**:

Similar to the stricter measures against Russia, an import ban was imposed on goods and technologies included in the Common Military List with the new Article 1aa added to Regulation (EC) No. 765/2006, and an export ban was imposed with the new Article 1ab. The national export and import bans on military equipment (in Germany pursuant to Sections 74 and 77 AWV) remain in force.

Annex XVIII has been expanded to include various goods whose sale, delivery, transfer, or export to Belarus or for use in Belarus is now prohibited under Article 1bb of Regulation (EC) No. 765/2006. Exceptions for existing contracts can be found in Article 1bb(3a) and (3b) and a revised licensing requirement (in the case of personal use of certain goods in the household by natural persons in Belarus) in Article 1bb(13) of the Regulation.

Annex Va has also been expanded and, as with the measures for Russia, a catch-all clause in the form of an authorization requirement has been introduced in the new Article 1f(1aa) of Regulation (EC) No. 765/2006 for cases where the exporter has been informed by the authorities that the goods intended for export to third countries could be used in whole or in part for natural or legal persons, organizations, or entities in Belarus or for use in Belarus.

Annex XIVa contains a list of goods whose transit through Belarus is prohibited in accordance with Article 1s(1a) of Regulation (EC) No. 765/2006. Goods falling under CN code 8479 82 have been newly added to this annex. In addition, Annex XIX, i.e. the list of goods whose transit through Belarus is prohibited under Article 1bb(2) of Regulation (EC) No. 765/2006, has been revised.

**Belarus: Regulation (EC) No. 765/2006 (Part II)**

Unlike in the case of the Russian embargo, the person-related sanctions against Belarus are not contained in a separate regulation, but are part of the Regulation (EC) No. 765/2006, which also includes goods- and sector-related as well as other embargo measures. Article 2(2) of Regulation (EC) No. 765/2006 prohibits the direct or indirect provision of funds or economic resources to the natural and legal persons, organizations, and entities listed in Annex I.  **Implementation Regulation (EU) 2025/1469 of July 18, 2025** added eight companies from Belarus to Annex I of the Regulation.

**Outlook: After the package is before the package...**

After the "summit meeting" in Alaska on August 15, 2025, remained unsuccessful, as expected, and Russia instead continued its war of aggression against Ukraine not only unabated but harder than ever, the EU immediately announced further measures and asked member states for proposals. It is doubtful that the 19th package of sanctions, which is expected shortly, will already include the complete renunciation of Russian energy demanded by President Trump or the imposition of high tariffs on Russia-friendly countries such as China. EU Commission President von der Leyen recently spoke only of accelerating the phase-out of Russian fossil fuel imports and (once again) focused the 19th package of sanctions on the banking sector in addition to the energy sector, as well as on preventing the use of cryptocurrencies to circumvent sanctions. However, as the 18th package of sanctions has shown, this should not obscure the fact that importing and exporting trading companies may also be affected by the new measures, even if the media tends to focus more on the energy and financial sectors.