



Centre for Financial Crime  
& Security Studies

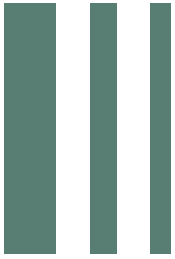
European Sanctions and Illicit Finance Monitoring  
and Analysis Network (SIFMANet)

# Recommendations for Effective Sanctions Against Russia

**SIFMANet**

European Sanctions and Illicit  
Finance Monitoring and  
Analysis Network





Since February 2022, the EU has successfully produced ten packages of restrictive measures on the Russian Federation with the aim of curtailing the funding and resourcing of its military capabilities. To ensure an effective sanctions regime, it is fundamental to conduct a review of the progress achieved by member states in implementing these sanctions to maximise impact. With such purpose, SIFMANet was established.

Throughout its in-country analyses, SIFMANet has collected recommendations to be actioned in order to overcome the implementation challenges identified and enhance the effectiveness of its restrictive measures against Russia.





# Enhancing the status quo: improve EU member state implementation

## Ensure domestic legislation is ‘fit for purpose’



Member states still face legal contradictions between pre-existing sanctions laws and new restrictive measures requirements, hampering effective implementation of new measures.

## Boost resources for sanctioning efforts



Member states are challenged by the lack of staff and expertise in both the public and private sector, particularly in the non-financial sector.

## Increase data transparency and accessibility



Access to quality and updated data is key to identifying individuals and entities to sanction, as well as support stakeholders in their implementation, investigations and enforcement.

## Enhance information-sharing



Member states should develop and exchange intelligence, typologies and red flags of sanctions evasion, ensuring the active involvement of the private sector.



# Enhancing the status quo: improve EU member state implementation

## Ensure cross-border harmonisation



There are asymmetries in interpretation and enforcement across the EU. Measures could range from the greater use of EU regulations to drive a uniform response to the creation of an EU body that would centralise implementation.

## Audit progress



A sanctions regime is only successful if it is effectively implemented. The EU should actively monitor implementation and enforcement by member states and provide support where weaknesses are identified.

## Strengthen monitoring of EU external borders



Support member states with key border responsibilities enforce trade-related sanctions.

## Boost government and private sector collaboration



Harness private sector expertise to design sanctions to ensure effective implementation.

# Going further and harder: address gaps in the EU sanctions regime

## Boost compliance of third countries



The EU must use its economic heft to promote international compliance, leveraging trade and financial dialogue to influence decisions and greater targeting of sanctions circumvention actors. A more active communications strategy is required to blunt Russian narratives.

## Improve communication and publicity of sanctions



The EU has failed to communicate the purpose, impact and success of sanctions to its citizens. The EU and member states should voice the impact that sanctions are having on the Russian economy and its military machine and encourage both citizens and private businesses to commit the necessary resources to ensure sanctions are implemented effectively.

## Further isolate Russia from international financial system



Significant Russian financial institutions remain on the SWIFT system. This undermines the impact of the wider restrictions on the Russian banking sector, making it necessary to extend the ban.

## Target professional enablers



Legal and professional advisors and trade intermediaries often serve as facilitators of sanctions evasion. They should be actively identified and sanctioned.

## Develop new tools



Draw inspiration from jurisdictions that have developed measures to facilitate enforcement such as domestic sanctions lists, or tools that reverse the burden of proof to seize sanctioned assets.

## Close gaps between sanctions regimes



The EU must work with allies to identify inconsistencies between regimes and close gaps to avoid providing circumvention opportunities.