



PIIE PETERSON INSTITUTE FOR
INTERNATIONAL ECONOMICS

Russia's war on Ukraine: A sanctions timeline: *Worries about Food Supplies*

Chad P. Bown

April 13, 2022

prepared for

**Agricultural Market Information System (AMIS) webinar on
Tracking Export Restrictions and Sanctions**

1750 Massachusetts Avenue, NW | Washington, DC 20036 | www.piie.com

Outline

- Introduction to the Sanctions timeline

<https://www.piie.com/blogs/realtime-economic-issues-watch/russias-war-ukraine-sanctions-timeline>

- Examples relevant for food supplies
- How to build it out into a database (in progress)

Russia's war on Ukraine: A sanctions timeline

Chad P. Bown (PIIE)
April 12, 2022 3:00 PM

Sanctions against Russia and other major events starting November 2021

Hover over dots for summary of events, or see full list below by sanction type and country



Filter by sanction type: **financial** individual import export travel no sanction

Filter by government imposing sanction: **US** UK EU Japan Australia Canada Germany France Italy Russia Switzerland China South Korea Norway Iceland New Zealand India Taiwan Ukraine Indonesia Turkey Mexico Brazil Argentina Singapore South Africa

DETERRENCE PHASE

Nov 2021 - Feb 20, 2022

Nov 2021 - Jan 2022

In an unusual move, the US shares [intelligence](#) with allies and the public about more than 150,000 Russian troops moving to Ukraine's border for a likely invasion. World leaders attempt diplomacy with Russian President Vladimir Putin, including US President [Joseph R. Biden Jr.](#), French President [Emmanuel Macron](#), German Chancellor [Olaf Scholz](#), and British Prime Minister [Boris Johnson](#). They threaten Putin with sanctions, including canceling the [Nord Stream 2](#) gas pipeline. Russia had previously weathered Western sanctions after its invasion and annexation of Crimea in 2014.

[Read more on Nord Stream 2](#) [Read more on Russia's economy](#)

Jan 25, 2022

White House officials [state](#) the US, alongside allies and partners, was prepared to implement sanctions with "massive consequences that were not considered in 2014," including financial sanctions and export controls on US software and technology. They added, "the gradualism of the past is out, and this time we'll start at the top of the escalation ladder and stay there."

[Read more on sanctions](#)

Feb 4, 2022

Putin and Chinese President Xi Jinping hold talks in Beijing, take part in the opening ceremony of the Winter Olympic Games, and issue a lengthy [joint statement](#) indicating that their two countries' friendship had "no limit" and there were "no forbidden areas of cooperation."

Feb 4 - 20, 2022

Beijing, China hosts the 2022 Winter Olympic Games.

Feb 7, 2022

French President Emmanuel Macron [meets](#) Putin for the first Moscow summit with a Western leader since Russia began moving troops to Ukraine's border in late 2021. Putin repeats threats of war if Ukraine joins NATO.

Feb 15, 2022

German Chancellor Olaf Scholz [travels](#) to Moscow for four hours of talks with Putin in attempt to avert war between Russia and Ukraine.

Feb 17, 2022

US Secretary of State Antony Blinken [proposes](#) to meet with Russian Foreign Minister Sergei Lavrov "provided Russia does not invade Ukraine," the State Department says. Russia agrees, but suggests dates for later the following week in Europe (Blinken [cancels](#) the meeting on February 22 in response to Putin's actions on February 21).

Feb 19, 2022

Leading the US delegation at the Munich Security Conference, Vice President Kamala Harris [reiterates](#) earlier US threats to impose significant and unprecedented economic costs alongside allies. "We have prepared, together, economic measures that will be swift, severe, and united. We will impose far-reaching financial sanctions and export controls. We will target Russia's financial institutions and key industries. And we will target those who are complicit and those who aid and abet this unprovoked invasion."

Feb 20, 2022

French President Emmanuel Macron [proposes](#) a Biden-Putin summit. The White House [agrees](#) in principle, but only if Russia does not invade Ukraine.

RUSSIAN ESCALATION

Feb 21 - 24, 2022

Feb 21, 2022

The day after the Winter Olympics end, Putin signs decrees at a Kremlin ceremony recognizing the independence and sovereignty of the so-called Luhansk People's Republic (LNR) and Donetsk People's Republic (DNR) regions of Ukraine and orders Russian troops sent to the separatist territories.

Feb 21, 2022

United States

[Financial](#)
[Individual](#)
[Import](#)
[Export](#)

In [response](#) to Putin's decrees, the Biden administration issues an [Executive Order](#) (EO 14065) stopping new US investment in, US exports to, or US imports from the regions. This builds from a series of EOs sanctioning Russia after its annexation of Crimea and for Russia's interference in foreign elections from 2014 (EO 13660, EO 13661, EO 13662, EO 13685) from 2018 (EO 13849) and from 2021 (EO 14024, EO 14039).

Feb 21, 2022

European Union

[Financial](#)
[Individual](#)
[Travel](#)

In response to Putin's decrees, the Council of the European Union [imposes](#) travel bans and asset freezes on five new individuals, building from the EU's 2014 sanctioning of Russia after its annexation of Crimea.

Feb 22, 2022

United States

[Financial](#)
[Individual](#)

Following the February 21 EO, US Treasury [sanctions](#) two major Russian state-owned financial institutions (VEB, PSB) and their subsidiaries that are critical to financing the Russian defense industry, five Kremlin-connected oligarchs, and imposes additional restrictions on Russian sovereign debt.

Feb 22, 2022

United Kingdom

[Financial](#)
[Individual](#)
[Travel](#)

In response to Putin's decrees, the UK freezes assets of five Russian banks, freezes assets and bans travel for three Russian oligarchs, and sanctions Russian politicians who voted to recognize the independence of the Ukrainian regions.

Feb 22, 2022

Germany

[Import](#)

Chancellor Olaf Scholz [announces](#) Germany has suspended certification of Nord Stream 2, the controversial \$11 billion new gas pipeline set to increase supply from Russia to Germany through the North Sea, bypassing Ukraine.

[Read more on EU energy](#)

Feb 23, 2022

European Union

[Financial](#)
[Individual](#)
[Import](#)
[Export](#)
[Travel](#)

The EU [imposes](#) its first major package of sanctions against Russia, including an import ban on goods from the non-government controlled areas of DNR and LNR, restrictions on trade and investments, an export ban for certain goods and technologies, restrained Russian access to the EU's capital and financial markets and services, and more travel bans and asset freezes for a number of Russian individuals.

Feb 23, 2022

Australia

[Financial](#)
[Individual](#)
[Travel](#)

In response to Putin's decrees, Australia [imposes](#) financial sanctions and travel bans on 8 Russian officials and restricts Australians from transacting with Russian banks (Rossiya Bank, Promsvyazbank, IS Bank, Genbank, Black Sea Bank for Development and Reconstruction, VEB).

Feb 24, 2022

Japan









[Financial](#)
[Import](#)
[Export](#)
[Travel](#)

In response to Putin's decrees, Japan's Ministry of Foreign Affairs [announces](#) travel restrictions, trade restrictions, and limitations on transactions with designated Russian banks and Russian sovereign debt.

WAR: RUSSIA INVADES UKRAINE		Feb 24, 2022 -	
Feb 24, 2022			In the early morning in eastern Europe, Russian troops cross the border into Ukraine, firing missiles at Ukrainian cities, airports, and other targets. Putin describes the invasion as a "special military operation."
Feb 24, 2022	United States	\$financial 🚫individual	In response to Russia's invasion of Ukraine, US Treasury sanctions Public Joint Stock Company Sberbank of Russia, requiring all US financial institutions to close Sberbank accounts and to reject any future transactions. Treasury freezes the assets of Russian banks VTB Bank Public Joint Stock Company (VTB Bank), Otkritie, Novikom, and Sovcom. Treasury also sanctions 13 major Russian state-owned and private entities as well as other Russian oligarchs.
Feb 24, 2022	United States	\$financial 🚫individual	In response to Belarusian support and facilitation of Russia's invasion of Ukraine, US Treasury sanctions 24 Belarusian individuals and entities, with a focus on Belarus's defense sector and financial institutions.
Feb 24, 2022	United States	→export	Russia's invasion prompts the Department of Commerce to restrict Russian access to technology—e.g., semiconductors, computers, telecommunications, information security equipment, lasers, and sensors—by controlling US exports or exports from third countries that use US inputs such as equipment, software, and blueprints (Foreign Direct Product Rule). Read more on tech restrictions
Feb 24, 2022	United Kingdom	\$financial 🚫individual →export →travel	Russia's invasion of Ukraine leads the UK's Foreign, Commonwealth and Development Office to impose financial sanctions on certain Russian banks, defense companies, and oligarchs, export controls restricting UK shipments to Russia's high-tech and strategic industries, and to ban Aeroflot from flying in UK airspace.
Feb 24, 2022	Canada	\$financial 🚫individual	In response to Putin's decrees and Russia's invasion of Ukraine, Canada imposes sanctions on Russian banks , entities, and individuals and prohibits dealmaking in the DNR and LNR regions, amending its Special Economic Measures Regulations imposed against Russia beginning in 2014.
Feb 24, 2022	Iceland	\$financial 🚫individual ←import →export →travel	Iceland condemns Russian attacks on Ukraine and announces it will be "taking full part in international sanctions."
Feb 24, 2022	India	no sanction	Indian Prime Minister Narendra Modi speaks with Putin by telephone, concerned with the safe evacuation of Indian nationals stuck in areas of military conflict. Modi refuses to condemn the Russian invasion of Ukraine or join Western sanctions against Russia, a major military arms supplier to India.
Feb 24, 2022	Australia	\$financial 🚫individual	Australia announces new sanctions against a series of Russian individuals , financial institutions , and other entities, amending Autonomous Sanctions Regulations 2011 .
+ Show 127 more			

Some countries have stated they will not sanction Russia

no sanction

Date	Country	Sanction type	Description
Feb 24, 2022	 India	no sanction	Indian Prime Minister Narendra Modi speaks with Putin by telephone, concerned with the safe evacuation of Indian nationals stuck in areas of military conflict. Modi refuses to condemn the Russian invasion of Ukraine or join Western sanctions against Russia, a major military arms supplier to India.
Mar 1, 2022	 Mexico	no sanction	President Andrés Manuel López Obrador states Mexico will not impose sanctions on Russia "because we want to have good relations with all the governments in the world."
Mar 1, 2022	 Brazil	no sanction	President Jair Bolsonaro states Brazil will not impose sanctions on Russia and will remain neutral, reportedly because Russian fertilizers are critical for the country's farm sector.
Mar 2, 2022	 China	no sanction	Guo Shuqing, the head of China's banking and insurance regulator, indicates that China "will not participate in such sanctions, and we will continue to maintain normal economic, trade and financial exchanges with relevant parties." PIIE Read more on China's role
Mar 4, 2022	 Argentina	no sanction	Foreign Minister Santiago Cafiero states Argentina would not sanction Russia, stating Argentina "does not consider that they are a mechanism to generate peace and harmony, or generate a frank dialogue table that serves to save lives."
Mar 9, 2022	 Indonesia	no sanction	President Joko Widodo (and G-20 chair) states Indonesia does not plan to sanction Russia and that sanctions "are not the best solution to resolve the problem."
Mar 13, 2022	 Turkey	no sanction	Foreign Minister Mevlut Cavusoglu states Turkey will not join sanctions imposed on Russia, indicating "sanctions will not resolve the problem."
Mar 17, 2022	 South Africa	no sanction	President Cyril Ramaphosa indicates South Africa will not impose sanctions on Russia, as they "may serve to prolong and intensify the conflict."

Example: US financial sanctions on Russian entities

WAR: RUSSIA
INVADES
UKRAINE

Feb 24, 2022 -

Feb 24, 2022

In the early morning in eastern Europe, Russian troops cross the border into Ukraine, firing missiles at Ukrainian cities, airports, and other targets. Putin describes the invasion as a "special military operation."

Feb 24, 2022

 United States

\$financial

☞individual

In response to Russia's invasion of Ukraine, US Treasury [sanctions](#) Public Joint Stock Company Sberbank of Russia, requiring all US financial institutions to close Sberbank accounts and to reject any future transactions. Treasury freezes the assets of Russian banks VTB Bank Public Joint Stock Company (VTB Bank), Otkritie, Novikom, and Sovcom. Treasury also sanctions 13 major Russian state-owned and private entities as well as other Russian oligarchs.

Do these financial sanctions on Russian entities apply to “food”?

- No(!), but of course yes (!!)

Example: US financial sanctions on Russian entities

U.S. Treasury Announces Unprecedented & Expansive Sanctions Against Russia, Imposing Swift and Severe Economic Costs

February 24, 2022

United States Acts in Tandem with Partners and Allies to Maximize Consequences for Russia, and in Show of Unity Against Invasion of a Sovereign State

Top Ten Russian Financial Institutions Now Under U.S Restrictions; U.S. Ready to Impose Additional Major Costs

GENERAL LICENSES

To ensure that these sanctions and prohibitions have an impact on the intended targets and to minimize unintended consequences on third parties, OFAC has also issued several general licenses in connection with these actions. In particular, payments for energy are from production to consumption. The sanctions and license package has been constructed to account for the challenges high energy prices pose to average citizens and doesn't prevent banks from processing payments for them.

Specifically, OFAC issued eight general licenses authorizing certain transactions related to:

- international organizations and entities;
- agricultural and medical commodities and the COVID-19 pandemic;
- overflight and emergency landings;
- energy;
- dealings in certain debt or equity;
- derivative contracts;
- the wind down of transactions involving certain blocked persons; and
- the rejection of transactions involving certain blocked persons.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

OFFICE OF FOREIGN ASSETS CONTROL

Executive Order 14024 of April 15, 2021
Blocking Property With Respect To Specified Harmful Foreign Activities of the Government of the Russian Federation

GENERAL LICENSE NO. 6

Transactions Related to the Exportation or Reexportation of Agricultural Commodities, Medicine, Medical Devices, Replacement Parts and Components, or Software Updates, or the Coronavirus Disease 2019 (COVID-19) Pandemic

(a) Except as provided in paragraph (c) of this general license, all transactions prohibited by Executive Order (E.O.) 14024 that are ordinarily incident and necessary to: (1) the exportation or reexportation of agricultural commodities, medicine, medical devices, replacement parts and components for medical devices, or software updates for medical devices to, from, or transiting the Russian Federation; or (2) the prevention, diagnosis, or treatment of COVID-19 (including research or clinical studies relating to COVID-19), are authorized.

(b) For the purposes of this general license, agricultural commodities, medicine, and medical devices are defined as follows:

(1) Agricultural commodities. For the purposes of this general license, agricultural commodities are products that fall within the term "agricultural commodity" as defined in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602) and are intended for use as:

(i) Food for humans (including raw, processed, and packaged foods; live animals; vitamins and minerals; food additives or supplements; and bottled drinking water) or animals (including animal feeds);

(ii) Seeds for food crops;

(iii) Fertilizers or organic fertilizers; or

(iv) Reproductive materials (such as live animals, fertilized eggs, embryos, and semen) for the production of food animals.

(2) Medicine. For the purposes of this general license, medicine is an item that falls

Example: US sanctions impacting Russian shipping (maritime/railroad)

U.S. Treasury Announces Unprecedented & Expansive Sanctions Against Russia, Imposing Swift and Severe Economic Costs

February 24, 2022

United States Acts in Tandem with Partners and Allies to Maximize Consequences for Russia, and in Show of Unity Against Invasion of a Sovereign State

Top Ten Russian Financial Institutions Now Under U.S Restrictions; U.S. Ready to Impose Additional Major Costs

DEBT AND EQUITY PROHIBITIONS AGAINST MAJOR STATE-OWNED AND PRIVATE ENTITIES

These 13 major firms, which are listed in Annex 1 to the Russia-related Entities Directive, include companies critical to the Russian economy and six of Russia's largest financial institutions. They are now heavily restricted from raising money through the U.S. market — a key source of capital and revenue generation, which limits the Kremlin's ability to raise money for its malign activity — including to support the further invasion of Ukraine.

- **Sberbank** is Russia's largest financial institution. Today, Sberbank was also identified as subject to the Russia-related CAPTA Directive.
- **Gazprombank Joint Stock Company** is Russia's third-largest financial institution and is closely affiliated with the energy sector.
- **Joint Stock Company Russian Agricultural Bank** is Russia's fifth-largest financial institution and closely affiliated with the agricultural sector.
- **Public Joint Stock Company Gazprom** is the world's largest natural gas company.
- **Public Joint Stock Company Gazprom Neft** is one of Russia's largest oil producers and refiners.
- **Public Joint Stock Company Transneft** (Transneft) manages Russia's network of petroleum-related pipelines.
- **Public Joint Stock Company Rostelecom** is Russia's largest telecommunications company.
- **Public Joint Stock Company RusHydro** is a hydroelectricity company and one of Russia's largest power companies.
- **Public Joint Stock Company Alrosa** is the world's largest diamond mining company, responsible for 90 percent of Russia's diamond mining capacity, which accounts for 28 percent globally.
- **Joint Stock Company Sovcomflot** is Russia's largest maritime and freight shipping company.
- **Open Joint Stock Company Russian Railways** is one of the world's largest railroad companies.

Example: US sanctions impacting Russian shipping (maritime/railroad)

Russian Railways Ruled in Default as Sanctions Ensnarl Payments

A credit derivatives committee said a failure-to-pay credit event had occurred on Russian Railways debt

By [Alexander Gladstone](#) and [Alexander Saeedy](#)
April 11, 2022 12:14 pm ET

THE WALL STREET JOURNAL.

State-owned Russian Railways was declared in default of a bond obligation on Monday, setting the stage for credit insurance payouts on a Russian corporate borrower for the first time since the war in Ukraine began as sanctions impede payments to foreign creditors.

Paying agent [UBS](#) AG didn't receive payment by the end of a grace period last month on a Swiss franc-denominated bond, constituting a failure-to-pay credit event, according to the EMEA Credit Derivatives Determination Committee, a panel of banks and investment firms overseeing credit-default swap contracts.

Example: EU Sanctions impacting Russian shipping

AT A GLANCE



Russia's war on Ukraine: Implications for EU transport

In response to Russia's unjustified invasion of Ukraine, the European Union has adopted unprecedented new sanctions. These included a ban of all Russian aircraft from its airspace, to which Russia reacted by banning all EU airlines from its skies. While the full weight of these decisions is only starting to be felt, the implications of the conflict for EU transport are much larger and include steep increases in fuel prices, interruptions to supply chains and the need to ensure the safe return of stranded drivers and seafarers, already problematic due to Covid-19.

While Russian railways are targeted by EU sanctions, freight trains can still run through Russia, but they cannot stop there. Many logistics companies operating rail freight connections between China and the EU are avoiding transit through Russia for security reasons. Instead of the 'main route', which previously served half of all EU-bound rail freight traffic, they opt for the 'middle corridor' through Azerbaijan and Georgia to Istanbul, where the cargo is reloaded onto vessels bound for Trieste. Transit through Ukraine accounted for only 2 % of the westbound container traffic volumes on the New Silk Route in 2021, but was on the rise, a fact recognised both by China and by Slovakia and Hungary, which were planning investments to develop the route through Ukraine.

China-Europe Railway Express

- Share of China-EU bilateral goods trade arriving **by rail** more than doubled (from 2% to 5%) between 2016 and 2021
- Freight trains up by a factor of 9 between 2016 (1,702) and 2021 (15,183)



Sources: [China Railway Express Construction and Development Plan \(2016-2020\)](#), [SCMP](#) and [China One Belt One Road Network Comprehensive](#).

Example: Western multinationals operating in Ukraine/Russia

- **Voluntary self-sanctions, uncertainty**

ADM shuts Ukraine grains terminal, crush plant, other facilities after Russia invasion

Reuters February 24, 2022

Caterpillar, Deere Join Firms Suspending Business in Russia

- Deere halts farm equipment shipments to Russia, Belarus
- Caterpillar suspends operations at factories in Russia

By Joe Deaux
March 9, 2022

Bloomberg

Agriculture Giants Stay in Russia Despite Calls to Exit Over Ukraine War

Grain traders and seed companies cite humanitarian concerns about food supplies as advocacy groups try to raise pressure on Moscow

By Patrick Thomas
Mar. 21, 2022 7:03 am ET

THE WALL STREET JOURNAL.

The world's largest agricultural companies are continuing to sell seeds and handle crops in Russia, despite pressure to sever ties following the [invasion of Ukraine](#).

Companies including [Cargill Inc.](#), [Bayer AG](#) and [Archer Daniels Midland Co.](#) say humanitarian concerns over food availability for Russian citizens and other countries justify the companies' continued operation in Russia, while Western oil companies, fast-food chains and other companies have [pulled out or paused operations](#) there.

To Do:

- Introduction to the Sanctions timeline
- Examples relevant for food supplies
- **How to build it out into a database (in progress)**



PIIE PETERSON INSTITUTE FOR
INTERNATIONAL ECONOMICS

Russia's war on Ukraine: A sanctions timeline: Worries about Food Supplies

Chad P. Bown

cbown@piie.com

[@ChadBown](https://twitter.com/ChadBown)

1750 Massachusetts Avenue, NW | Washington, DC 20036 | www.piie.com