



# Russia's Invasion of Ukraine: Overview of U.S. and International Sanctions and Other Responses

# Updated March 18, 2022

On February 24, 2022, Russia launched an undeclared war against Ukraine. The United States and countries around the world have condemned Russia's "unprecedented military aggression" as "unprovoked and unjustified." The United States, the European Union (EU), and member countries of the EU and NATO have provided or pledged new military assistance to Ukraine (\$1.35 billion in immediate U.S. security assistance since the start of the war). Members of legislatures, local governments, businesses, and publics in the United States and elsewhere have expressed support for Ukraine and have condemned Russia's invasion. Many U.S. and other companies have suspended or withdrawn operations in Russia. On March 2, 2022, the U.N. General Assembly voted 141-5 to demand Russia "immediately, completely and unconditionally withdraw" from Ukraine (34 countries, including China and India, abstained).

Since December 2021, the United States and others have warned Russia's leadership that severe sanctions would follow a new attack on Ukraine, which Russia first invaded and partially occupied in 2014. The United States, the EU, and others imposed an initial round of sanctions on February 21-23, 2022, in response to Russia's alleged recognition of two areas in eastern Ukraine as independent. Since Russia launched its attack on February 24, the United States, the EU, and others have imposed a series of increasingly severe sanctions.

Congress has provided substantial support for Ukraine since the start of the war. The Ukraine Supplemental Appropriations Act, 2022 (P.L. 117-103, Division N) provided \$13.6 billion "in humanitarian, security, and economic assistance for Ukraine and neighboring countries." The House and Senate have agreed to resolutions supporting Ukraine (H.Res. 956) and condemning Russian atrocities (S.Res. 546). Dozens of other bills and resolutions intended to respond to Russia and support Ukraine are before Congress, including the House-passed H.R. 7108, which would suspend permanent normal trading relations treatment for Russia and Belarus. On March 16, 2022, Ukrainian President Volodymyr Zelensky addressed Congress virtually.

Congressional Research Service

https://crsreports.congress.gov

IN11869

### U.S. Sanctions

Recent rounds of U.S. sanctions and related actions could have a greater impact than sanctions the United States has imposed on Russia to this point (see CRS Report R45415, *U.S. Sanctions on Russia*). Sanctions and related actions the United States imposed from February 21 through March 17, 2022, include the following (for more information on several key sanctions, see CRS In Focus IF12062, *New Financial and Trade Sanctions Against Russia*).

- Restrictions on transactions with Russia's central bank, limiting its ability to draw on dollar-denominated foreign reserves, and transactions with Russia's Ministry of Finance and National Wealth Fund (with exceptions for energy-related transactions).
- Ban on the import of Russian crude oil, petroleum products, liquefied natural gas, coal, seafood, alcoholic beverages, and non-industrial diamonds. President Biden also has announced his intent to work with Congress to suspend permanent normal trade relations treatment for Russia.
- Ban on the export of luxury goods and dollar-denominated banknotes and on "any approval, financing, facilitation, or guarantee" of transactions by foreign persons that would be prohibited to U.S. persons or in the United States.
- Ban on new investment in Russia's energy sector.
- Export controls on trade with Russia and Belarus, including restrictions on "sensitive
  U.S. technologies produced in foreign countries using U.S.-origin software, technology,
  or equipment" and oil and gas extraction equipment.
- Restrictions on secondary-market transactions by U.S. financial institutions in Russian sovereign debt (previous restrictions applied to primary-market transactions).
- Restrictions on transactions by U.S. financial institutions (including correspondent and payable-through accounts) with Sberbank, Russia's largest bank and one of Russia's five largest companies (with exceptions for energy-related transactions, among others).
- Full blocking sanctions (including restrictions on transactions and access to U.S.-based property or interests in property) on
  - Russian President Vladimir Putin, Foreign Minister Sergei Lavrov, Defense Minister Sergei Shoigu, and Chief of the General Staff Valery Gerasimov;
  - VTB Bank (Russia's second-largest financial institution); VEB, a state development bank that "provides financing for large-scale projects"; and four other financial institutions (with the above-mentioned exceptions);
  - Russian Direct Investment Fund, one of Russia's sovereign wealth funds, and its chief executive officer (CEO);
  - Nord Stream 2 AG, the parent company of Russia's Nord Stream 2 natural gas pipeline project, and its CEO;
  - Additional members of Russia's Kremlin-connected business elite
     (sometimes referred to as oligarchs) and family members. In coordination
     with international partners, the U.S. government has established an
     interagency Task Force KleptoCapture to strengthen enforcement of
     sanctions and other measures, as well as a Kleptocracy Asset Recovery
     Rewards Program.
  - Defense-related entities and disinformation operations; and
  - Belarusian entities and individuals in response to Belarus's support for Russia's invasion.

- Restrictions against new equity investment and financing for 13 companies, including
  - Gazprom, a state-owned energy company and Russia's largest firm;
  - Alrosa, the world's largest diamond-mining firm;
  - Sovcomflot, Russia's largest maritime and freight shipping firm;
  - Russian Railways; and
  - Alfa Bank, Russia's largest private bank.
- Ban on Russian aircraft entering and using U.S. airspace.
- Prohibitions on U.S. trade or investment in Russia-occupied areas of eastern Ukraine and sanctions against those who operate in those areas.

### **International Sanctions**

The EU, the United Kingdom (UK), other non-EU countries in Europe (including Switzerland), Canada, Australia, New Zealand, Japan, South Korea, Singapore, and Taiwan, among others, have imposed sanctions, export controls, or both in response to Russia's invasion of Ukraine. Many sanctions imposed by other countries are identical or similar to U.S. sanctions, including restricting transactions with Russia's central bank, suspending preferential trade treatment, and airspace bans.

In addition, the EU has prohibited specialized financial messaging services, including the Society for Worldwide Interbank Financial Telecommunication (SWIFT), the world's primary such service, from serving seven Russian financial institutions (excluding Sberbank, Russia's largest bank).

The EU and the UK have imposed sanctions on hundreds of Russian legislators for supporting Russia's alleged recognition of the separatist areas of eastern Ukraine and have suspended broadcasting of Russian state-owned network RT (the EU also suspended Sputnik, another state-owned network). Two days before Russia's attack, the German government suspended certification of the Nord Stream 2 pipeline, preventing it from becoming operational.

## **Author Information**

Cory Welt Specialist in Russian and European Affairs

## Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.

| Congressional Research | ch Service |  |  |  |
|------------------------|------------|--|--|--|
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |
|                        |            |  |  |  |