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COUNCIL REGULATION (EU) No 960/2014

of 8 September 2014

amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine

(OJ L 271, 12.9.2014, p. 3)

Amended by:

		Official Journal		
		No	page	date
►**M1**	Council Regulation (EU) No 1290/2014 of 4 December 2014	L 349	20	5.12.2014

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COUNCIL REGULATION (EU) No 960/2014

of 8 September 2014

amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 215 thereof,

Having regard to Council Decision 2014/659/CFSP of 8 September 2014 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine ([1]),

Having regard to the joint proposal of the High Representative of the Union for Foreign Affairs and Security Policy and of the European Commission,

Whereas:

(1) Council Regulation (EU) No 833/2014 ([2]) gives effect to certain measures provided for in Council Decision 2014/512/CFSP ([3]). Those measures comprise restrictions on exports of dual-use goods and technology, restrictions on the provision of related services and on certain services related to the supply of arms and military equipment, restrictions on the sale, supply, transfer or export, directly or indirectly, of certain technologies for the oil industry in Russia in the form of a prior authorisation requirement, and restrictions on access to the capital market for certain financial institutions.

(2) The Heads of State or Government of the European Union called for preparatory work on further targeted measures to be undertaken so that further steps could be taken without delay.

(3) In view of the gravity of the situation, the Council considers it appropriate to take further restrictive measures in response to Russia's actions destabilising the situation in Ukraine.

(4) In this context, it is appropriate to apply additional restrictions on exports of dual-use goods and technology, as laid down in Council Regulation (EC) No 428/2009 ([4]).

(5) In addition, the provision of services for deep water oil exploration and production, arctic oil exploration and production or shale oil projects should be prohibited.

([1]) See page 54 of this Official Journal.
([2]) Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 229, 31.7.2014, p. 1).
([3]) Council Decision 2014/512/CFSP of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 229, 31.7.2014, p. 13).
([4]) Council Regulation (EC) No 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items (OJ L 134, 29.5.2009, p. 1).

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(6) In order to put pressure on the Russian Government, it is also appropriate to apply further restrictions on access to the capital market for certain financial institutions, excluding Russia-based institutions with international status established by intergovernmental agreements with Russia as one of the shareholders; restrictions on legal persons, entities or bodies established in Russia in the defence sector, with the exception of those mainly active in the space and nuclear energy industry; and restrictions on legal persons, entities or bodies established in Russia whose main activities relate to the sale or transportation of crude oil or petroleum products. Financial services other than those referred to in Article 5 of Regulation (EU) No 833/2014, such as deposit services, payment services, insurance services, loans from the institutions referred to in Article 5(1) and (2) of that Regulation and derivatives used for hedging purposes in the energy market are not covered by these restrictions.

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(7) These measures fall within the scope of the Treaty and, therefore, in particular with a view to ensuring its uniform application in all Member States, regulatory action at the level of the Union is necessary.

(8) In order to ensure that the measures provided for in this Regulation are effective, it should enter into force immediately,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EU) No 833/2014 is amended as follows:

(1) In Article 1, points (e) and (f), are replaced by the following:

‘(e) “investment services” means the following services and activities:

(i) reception and transmission of orders in relation to one or more financial instruments,

(ii) execution of orders on behalf of clients,

(iii) dealing on own account,

(iv) portfolio management,

(v) investment advice,

(vi) underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis,

(vii) placing of financial instruments without a firm commitment basis,

(viii) any service in relation to the admission to trading on a regulated market or trading on a multilateral trading facility;

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(f) "transferable securities" means the following classes of securities which are negotiable on the capital market, with the exception of instruments of payment:

(i) shares in companies and other securities equivalent to shares in companies, partnerships or other entities, and depositary receipts in respect of shares,

(ii) bonds or other forms of securitised debt, including depositary receipts in respect of such securities,

(iii) any other securities giving the right to acquire or sell any such transferable securities;'.

(2) The following Article is inserted:

'Article 2a

1. It shall be prohibited to sell, supply, transfer or export, directly or indirectly, dual-use goods and technology as included in Annex I to Regulation (EC) No 428/2009, whether or not originating in the Union, to natural or legal persons, entities or bodies in Russia as listed in Annex IV to this Regulation.

2. It shall be prohibited:

(a) to provide technical assistance, brokering services or other services related to goods and technology set out in paragraph 1 and to the provision, manufacture, maintenance and use of these goods and technology, directly or indirectly to any person, entity or body in Russia, as listed in Annex IV;

(b) to provide financing or financial assistance related to goods and technology referred to in paragraph 1, including in particular grants, loans and export credit insurance, for any sale, supply, transfer or export of these goods and technology, or for the provision of related technical assistance, brokering services or other services, directly or indirectly to any person, entity or body in in Russia, as listed in Annex IV.

3. The prohibitions in paragraphs 1 and 2 shall be without prejudice to the execution of contracts or agreements concluded before 12 September 2014 and to the provision of assistance necessary to the maintenance and safety of existing capabilities within the EU.

4. The prohibitions in paragraphs 1 and 2 shall not apply to the sale, supply, transfer or export of dual use goods and technology intended for the aeronautics and space industry, or the related provision of technical and financial assistance, for non military use and for a non military end user, as well as for maintenance and safety of existing civil nuclear capabilities within the EU, for non military use and for a non military end user.'.

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(3) The following Article is inserted:

'Article 3a

1. It shall be prohibited to provide, directly or indirectly, the following associated services necessary for deep water oil exploration and production, arctic oil exploration and production, or shale oil projects in Russia:

(i) drilling, (ii) well testing, (iii) logging and completion services, (iv) supply of specialised floating vessels.

2. The prohibitions in paragraph 1 shall be without prejudice to the execution of an obligation arising from a contract or a framework agreement concluded before 12 September 2014 or ancillary contracts necessary for the execution of such contracts.

3. The prohibition in paragraph 1 shall not apply where the services in question are necessary for the urgent prevention or mitigation of an event likely to have a serious and significant impact on human health and safety or the environment.'.

(4) In Article 4(1), point (b) is replaced by the following:

'(b) to provide, directly or indirectly, financing or financial assistance related to the goods and technology listed in the Common Military List, including in particular grants, loans and export credit insurance or guarantee, as well as insurance and reinsurance for any sale, supply, transfer or export of such items, or for any provision of related technical assistance, to any natural or legal person, entity or body in Russia or for use in Russia;'.

(5) Article 5 is replaced by the following:

'Article 5

1. It shall be prohibited to directly or indirectly purchase, sell, provide investment services for or assistance in the issuance of, or otherwise deal with transferable securities and money-market instruments with a maturity exceeding 90 days, issued after 1 August 2014 to 12 September 2014, or with a maturity exceeding 30 days, issued after 12 September 2014 by:

(a) a major credit institution, or other major institution having an explicit mandate to promote competitiveness of the Russian economy, its diversification and encouragement of investment, established in Russia with over 50 % public ownership or control as of 1 August 2014, as listed in Annex III; or

(b) a legal person, entity or body established outside the Union whose proprietary rights are directly or indirectly owned for more than 50 % by an entity listed in Annex III; or

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(c) a legal person, entity or body acting on behalf or at the direction of an entity referred to in point (b) of this paragraph or listed in Annex III.

2. It shall be prohibited to directly or indirectly purchase, sell, provide investment services for or assistance in the issuance of, or otherwise deal with transferable securities and money-market instruments with a maturity exceeding 30 days, issued after 12 September 2014 by:

(a) a legal person, entity or body established in Russia predominantly engaged and with major activities in the conception, production, sales or export of military equipment or services, as listed in Annex V, except legal persons, entities or bodies active in the space or the nuclear energy sectors;

(b) a legal person, entity or body established in Russia, which are publicly controlled or with over 50 % public ownership and having estimated total assets of over 1 trillion Russian Roubles and whose estimated revenues originate for at least 50 % from the sale or transportation of crude oil or petroleum products, as listed in Annex VI;

(c) a legal person, entity or body established outside the Union whose proprietary rights are directly or indirectly owned for more than 50 % by an entity listed in point (a) or (b) of this paragraph; or

(d) a legal person, entity or body acting on behalf or at the direction of an entity referred to in point (a), (b) or (c) of this paragraph.

3. It shall be prohibited to directly or indirectly make or be part of any arrangement to make new loans or credit with a maturity exceeding 30 days to any legal person, entity or body referred to in paragraph 1 or 2, after 12 September 2014 except for loans or credit that have a specific and documented objective to provide financing for non-prohibited imports or exports of goods and non-financial services between the Union and Russia or for loans that have a specific and documented objective to provide emergency funding to meet solvency and liquidity criteria for legal persons established in the Union, whose proprietary rights are owned for more than 50 % by any entity referred to in Annex III.'.

(5a) Point (a) of Article 11(1) is replaced by the following:

'(a) entities referred to in points (b) and (c) of Article 5(1) and points (c) and (d) of Article 5(2), or listed in Annexes III, IV, V and VI;'.

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(6) Article 12 is replaced by the following:

'Article 12

It shall be prohibited to participate, knowingly and intentionally, in activities the object or effect of which is to circumvent the prohibitions referred to in Articles 2, 2a, 3a, 4 or 5, including by acting as a substitute for the entities referred to in Article 5, or by using the exceptions in Article 5(3) to fund entities referred to in Article 5.'.

(7) Annex I to this Regulation is added as Annex IV.

(8) Annex II to this Regulation is added as Annex V.

(9) Annex III to this Regulation is added as Annex VI.

Article 2

This Regulation shall enter into force on the date of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

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ANNEX I

‘ANNEX IV

List of natural or legal persons, entities or bodies, referred to in Article 2a

JSC Sirius (optoelectronics for civil and military purposes)

OJSC Stankoinstrument (mechanical engineering for civil and military purposes)

OAO JSC Chemcomposite (materials for civil and military purposes)

JSC Kalashnikov (small arms)

JSC Tula Arms Plant (weapons systems)

NPK Technologii Maschinostrojenija (ammunition)

OAO Wysokototschnye Kompleksi (anti-aircraft and anti-tank systems)

OAO Almaz Antey (state-owned enterprise; arms, ammunition, research)

OAO NPO Bazalt (state-owned enterprise, production of machinery for the production of arms and ammunition)’.

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ANNEX II

'ANNEX V

List of persons, entities and bodies referred to in Article 5(2)(a)

OPK OBORONPROM

UNITED AIRCRAFT CORPORATION

URALVAGONZAVOD'.

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ANNEX III

‘ANNEX VI

List of persons, entities and bodies referred to in Article 5(2)(b)

ROSNEFT

TRANSNEFT

GAZPROM NEFT’.