

SANCTIONS: TWO WEEKS OVERVIEW

EU

The Advocate General of the ECJ rejected the arguments of Latvia, Estonia and Lithuania

10.04.2024 the ECJ annulled the sanctions against M. Fridman and P. Aven imposed under criteria (a) and (d) until 13.03.2023 (see [digest](#) of 15.04.2024). On 20.07.2024 Latvia filed an appeal against both judgments of the General Court. On 30.10.2025 Andrea Biondi, Advocate General of the ECJ, issued his [Opinion](#) rejecting all grounds of appeal.

In particular, he rejected the argument that the General Court was required to take into account information that was not included in the sanctions file (the so-called “external context”). The fact that the businessmen’s economic position in Russia is most likely unattainable without support from the Russian authorities (or in relation to them) does not relieve the Council of the burden to prove specific examples of benefits and support. Likewise, proven proximity to the Russian authorities is not equivalent to proven receipt of a benefit.

The General Court was also upheld in its finding that facts predating 2014 may be relevant for sanctions only if the businessmen continued to derive benefits from those facts on the date of adoption or renewal of the sanctions.

As regards the alleged failure to distance themselves from the Russian authorities, it was noted that the General Court already held that this may be one indicator of support with respect to the Russian authorities. However, according to the Advocate General, such passivity alone does not constitute support.

The ECJ refused the trustee’s intervention in the appeal proceedings but admitted EuroChem

On 22.01.2025 the General Court dismissed A. Melnichenko’s action seeking annulment of sanctions, holding that the transfer of the trust beneficiary status to his wife confirmed the preservation of his economic interests in EuroChem and SUEK (see [digest](#) of 03.02.2025). On 08.04.2025 an appeal was lodged. On 14.07.2025 Linetrust PTC LTD (the trustee) and EuroChem Group AG filed applications to intervene as third parties. On 10.11.2025 the ECJ admitted the company but rejected the trustee.

With regard to Linetrust PTC LTD, the ECJ [noted](#) that the decision referred only to the trust itself and not to the trustee. The General Court made no findings as to the trustee’s role, reputation, governance procedures, or conduct. The applicant’s argument that the appellate court’s conclusions would influence how EU courts understand the legal nature of relationships between the trust, the settlor, beneficiaries, and the trustee

demonstrates the sector-wide nature of the issue, but not a direct interest of the trustee itself.

With regard to EuroChem Group AG, the ECJ [noted](#) that the finding that the sanctioned person retained an economic interest in the company led to the termination of contracts with a number of counterparties. Therefore, the company has a direct interest in the outcome of the case—namely, in having the nature of its relationship with the businessman precisely determined by the court.

USA

OFAC authorised a number of transactions for Lukoil and Rosneft

On 22.10.2025, the U.S. imposed sanctions on Lukoil and Rosneft (see [digest](#) of 03.11.2025). 14.11.2025 OFAC issued several general licenses authorising Lukoil, Rosneft and their subsidiaries to carry out certain transactions related to their assets. In particular, the following transactions are authorized:

- maintenance and operation of [Lukoil retail service stations](#) located outside Russia – until 13.12.2025;
- the sale of Lukoil’s Austrian subsidiary, [Lukoil International GmbH](#), and its subsidiaries, provided that performance under such transaction is conditioned upon obtaining a separate OFAC authorization – until 13.12.2025;

These transactions are permitted on the condition that payments under them are credited to blocked accounts in accordance with OFAC sanctions regulations.

- transactions related to the [operation](#) of the Caspian Pipeline Consortium, Tengizchevroil, and the Karachaganak project (but not the sale of interest in them) – with no specified end date;
- all transactions with Lukoil subsidiaries in [Bulgaria](#) – until 29.04.2026.

On the same day, the UK OFSI issued a [general licence](#) permitting payments to and from Lukoil subsidiaries in Bulgaria, as well as the provision and receipt of economic resources from them, until 14.02.2026.

U.S. Department of Commerce [suspended the “50% rule” for one year](#)

30.09.2025 the U.S. Department of Commerce (BIS) introduced the “50% rule” into export controls, aligning it with OFAC practice (see [digest](#) of 06.10.2025). On 10.11.2025 BIS suspended the application of the amendments until 09.11.2026.

WHAT TO EXPECT IN THE NEXT TWO WEEKS:

- ECJ decision in the SBK Art case.