

## Russia's Ukraine Invasion and Sanctions – Q&A

### What are sanctions, and why are they being used or proposed in this crisis?

- ✓ The word “sanctions” broadly describes a range of coercive measures usually aimed at changing behavior, either by raising the cost to those engaging in the behavior or prompting others to help stop it or distance themselves from it.
- ✓ In very general terms, the U.S. government (USG) can impose two types of sanctions:
  - **Targeted sanctions** imposing restrictions on specific individuals or entities.
  - **Broader sanctions** more comprehensively banning commercial activity with countries, for example, or restricting investment in specific industries within a region.
- ✓ Such sanctions can serve many ends. In the context of Russia and Ukraine:
  - Governments and advocates have called for a wide variety of sanctions to **persuade Russia to end its invasion** of Ukraine.
  - Human rights defenders, anti-corruption advocates, and other activists have long called for targeted sanctions to provide a measure of **accountability for abuses and corruption** by Russian and Russian-backed actors in Ukraine and Russia.
  - Activists have also sought such sanctions to **deny safe haven in the U.S. and other economies for the proceeds of Russian corruption**, which have helped sustain Russia's kleptocratic government.

### Who can be sanctioned under U.S. targeted sanctions programs?

- ✓ The USG can sanction non-U.S. “persons” (i.e., individuals or entities) involved in **human rights abuse** and **corruption** under the Global Magnitsky program.
- ✓ Under other sanctions programs focused on Russia or Ukraine, individuals and entities **undermining democracy and stability in Ukraine** can also be sanctioned, as can **any Russian Federation officials or leaders**.
- ✓ Sanctions can also often be imposed on those assisting or acting on behalf of perpetrators.

### What do targeted sanctions do?

- ✓ Under most targeted sanctions, a sanctioned person's **U.S. visa is revoked** or denied.
- ✓ A sanctioned person's **assets** (such as bank accounts and real estate) **are also frozen**. The sanctioned person cannot access, transfer, sell, or withdraw the frozen assets.
- ✓ U.S. banks, businesses, and persons **cannot do business with them**, closing the sanctioned person out of the international dollar market.
- ✓ Banks and businesses in *other* countries may also opt out of doing business with the sanctioned person.
- ✓ Sanctions may also impose a stigma on the sanctioned person (“naming and shaming”).

### When are targeted sanctions lifted?

- ✓ The USG's stated policy is to remove sanctions if the sanctioned person changes their behavior, though it retains wide discretion.
- ✓ Other factors are also considered. Under the Global Magnitsky Act, sanctions can be lifted if the person has been held to account for their acts, or if it would be in the U.S. interest.

### What sanctions has the U.S. government imposed since Russia's new invasion?

- ✓ Many of these sanctions have been broad, including barriers to the Russian government raising money by issuing debt and a bar on the export of certain U.S. technology to Russia.
- ✓ Some of the measures are targeted but focus on large entities. These include sanctions on major financial institutions and their subsidiaries; other major state-owned and private entities; and military and financial institutions in Belarus, given its government's support for the invasion.
- ✓ Recent targeted individual sanctions have included Russia's president and top security officials; several additional Russian elites and members of President Putin's inner circle; and Belarusian officials and elites.

### Can the sanctions work?

- ✓ Russia's effort to overthrow Ukraine's democracy requires **condemnation and consequences**, but there is no certainty what policy measures or advocacy efforts would successfully reverse its invasion.
- ✓ Denying the corrupt businessmen and abusive officials in Putin's circle access to Western countries and the assets they keep there could **apply a different kind of pressure** to change course than broad sanctions.
- ✓ Targeted sanctions have had clearer successes spurring behavior change or accountability measures in friendly countries more responsive to U.S. criticism; but they have also helped **keep**

**human rights and corruption on the international agenda** in more hostile contexts.

- ✓ In addition to **stigmatizing specific corrupt and abusive actors**, targeted sanctions in the longer term can help **weaken the kleptocratic system** that has sustained elite support for the Russian government's abusive rule and emboldened Putin to invade Ukraine.
- ✓ Keeping the funds of corrupt Russian (or other) actors out of the U.S. is also vital to the domestic fight against corruption, along with making U.S. laws and rules less hospitable to opaque and corrupt funding in the first place.
- ✓ To increase the impact of its actions, the USG should **coordinate with partner governments**.
  - Canada, the United Kingdom, Australia, and the European Union have sanctions programs similar to Global Magnitsky.
  - These governments should encourage others to create similar programs.
- ✓ Sanctioning governments should closely monitor their sanctions, including intended impacts on the perpetrators and collateral harms to others.

### What other steps should the U.S. and other governments be taking?

- ✓ Follow the **recommendations of civil society organizations**, especially local Ukrainian and Russian groups.
  - Alexey Navalny's Anti-Corruption Foundation, the "Block Putin Wallets" campaign, and other advocates have identified a range of alleged corrupt oligarchs and human rights abusers, many of whom remain unsanctioned.
- ✓ Act quickly to **ensure the assets of all sanctioned persons are frozen**.
- ✓ To **fight corruption at home**, the U.S. government should urgently finish implementing a strong new rule on corporate transparency; and the U.S. Congress should regulate industries that enable money laundering.