

Jorge Walser

19th EU restrictive measures package against Russia and Belarus

On 23 October 2025, the Council of the European Union (the "EU") adopted the 19th package of restrictive measures against Russia and Belarus (the "**19th Package**"). This set of eight binding legal acts¹ updates the existing restrictive measures regimes against both countries in a coordinated manner.

The new package aims to strengthen the effectiveness of existing restrictive measures, limit Russia's energy revenues, close loopholes through third countries and ensure full alignment of the Belarusian regime with the Russian one.

In addition to new sectoral designations and prohibitions, the package introduces structural changes to the basic regulations that redefine the scope of asset freezing, the notion of control and the compliance obligations applicable to companies.

1. Structural regulatory changes

The 19th Package introduces substantial changes to the legal framework for individual and sectoral restrictive measures, with a direct impact on the interpretation and application of the relevant regulations:

A. Clarification of the scope of asset freezing

Article 2 of Regulation (EU) No. 269/2014 has been amended, removing the reference to associated persons, entities, or bodies and limiting the freezing of funds to persons, entities, or bodies expressly designated or under their ownership or control. For the first time, formal definitions of ownership and control have been incorporated, aligned with the Council's Best Practices², reinforcing legal consistency between Member States.

The removal of the concept of associated persons, entities or bodies provides greater clarity, but requires undertakings to be able to document how they determine the perimeter of control of their counterparties. In practice, this will involve recording the criteria applied in deciding whether or not an entity is under the control of a designated person, so that the decision can be explained, for example, to a bank, auditor or competent authority on request.

¹ Russia: Decision (CFSP) 2025/2032 and Regulation (EU) 2025/2033 (amending Decision 2014/512/CFSP and Regulation 833/2014).

Personal restrictive measures and freezing of assets: Decision (CFSP) 2025/2036, Implementing Regulation (EU) 2025/2035 and Regulation (EU) 2025/2037 (amending Decision 2014/145/CFSP and Regulation 269/2014).

Belarus: Implementing Decision (CFSP) 2025/2038, Implementing Regulation (EU) 2025/2039, Decision (CFSP) 2025/2040 and Regulation (EU) 2025/2041 (amending Decision 2012/642/CFSP and Regulation 765/2006).

² The Best Practices for the effective implementation of restrictive measures (sanctions) are guidelines issued by the Council of the European Union that set out common criteria for implementing EU restrictive measures in a consistent manner across Member States. They are not legal rules in the strict sense, but serve as an interpretative reference for national authorities and the financial sector.

Among other things, these guidelines explain how to determine when a company is considered to be owned or controlled by a person that is subject to restrictive measures. The Council defines "ownership" as holding more than 50 % of the rights or a majority interest, and "control" as the ability to exercise decisive influence over the management or strategic decisions of an entity (e.g. through the appointment of directors, the use of assets or contractual arrangements).

Until now these criteria were not legally binding, but Regulation (EU) 2025/2039 - part of the 19th package - expressly incorporates them into Regulation 269/2014, making them the mandatory legal standard for all EU operators.

B. Inclusion of mirror or successor entities

The new package extends the sectoral prohibitions to entities acting on behalf of, at the direction of or as successors to already designated companies, closing off avenues for circumvention based on restructuring or name changes.

This extension will in practice require companies to analyse and document the absence of economic, functional or effective control continuity with a designated entity. This traceability is expected to become the standard of due diligence required by banks, insurers or national authorities when questions arise about transactions with reorganised or newly formed structures.

C. Regulatory alignment of Belarus

The same financial, technological and service restrictions applicable to Russia have been extended to Belarus, including a ban on connection to the SPFS, Mir and SBP systems.

Belarus thus has a risk profile equivalent to that of Russia in the context of EU restrictive measures, requiring it to be treated with the same level of control in internal policies and procedures.

D. Territorial and logistical restrictions

New prohibitions have been introduced on investments and transactions involving companies established in special economic, innovation, or preferential zones of the Russian Federation, including those in the Far Eastern Federal District³ and the Arctic zone⁴, in accordance with Russian law⁵. Transactions with third country ports and locks used to circumvent restrictive measures or for transfers of drones, missiles or related components are also prohibited.

These amendments oblige logistics operators, insurers and reinsurers to review routes, coverages and transit contracts to ensure that they are not involved, directly or indirectly, in operations that may involve restricted areas, entities or infrastructure.

2. Sectoral measures against Russia

A. Energy and raw materials

The purchase, import or transfer of liquefied natural gas (LNG) originating in or exported from Russia is prohibited.

The measure will enter into force on 25 April 2026, with a transitional derogation until 1 January 2027 for long-term contracts from before 17 June 2025.

The embargo is also extended to acyclic hydrocarbons, ores, salts, rubber, tubes, tyres, millstones and certain construction materials, with limited exceptions for essential products.

³ A region of the Russian Federation comprising several territories in the Russian Far East. It is home to economic and industrial zones created by the Russian government to attract investment and strengthen its projection towards Asia.

⁴ Russia's Arctic Ocean coastline, where strategic gas, oil and mineral extraction activities, as well as maritime export routes, are concentrated.

⁵ The Russian Federation's special economic, innovation or preferential zones are geographic areas to which the Russian government grants tax, customs and regulatory advantages in order to attract investment and develop strategic industrial or technological sectors. These areas include, among others, the Far Eastern Federal District (the region in Russia's Far East that the Russian government uses as a strategic hub for industrial and energy development oriented towards Asia), as well as the Arctic zone (Russia's Arctic Ocean fringe, where strategic gas, oil and mineral extraction projects, as well as key sea routes for Russian energy exports, are concentrated).

B. Industrial, technological and dual-use goods

Annexes VII, XXI and XXIII of Regulation (EU) 833/2014⁶ have been extended to include new industrial goods and materials that could be used for military purposes.

In addition, 45 entities - from Russia and third countries - have been added to Annex IV, subject to enhanced controls on dual-use items and advanced technologies.

C. Financial services, payment systems and crypto-assets

Financial and payment restrictions have been extended:

- i) the ban on direct or indirect connection to the Russian messaging and payment systems SPFS, Mir and SBP⁷ has been strengthened;
- ii) the above prohibition extends to third country entities using or facilitating the use of such systems, listed in Annex XLIV to Regulation (EU) 833/2014;
- iii) new Russian financial institutions have been added to Annex XLV of Regulation (EU) 833/2014, which lists entities subject to the financial transaction ban; and
- iv) the prohibition on providing crypto-asset services, issuing electronic money or payment instruments, acquiring payment transactions or providing payment initiation services to persons or entities resident or established in Russia has been strengthened and the previously applicable value thresholds have been abolished.

D. Professional and technological services

Prohibitions on the provision of services in Russia have been extended to the areas of engineering, architecture, technical and scientific consultancy, advertising, computer science, artificial intelligence, quantum computing, space services and tourism.

Any other service to the Russian Government or its agencies will require prior authorisation.

E. Maritime transport, ports and reinsurance

It extends the prohibition of transactions to third country ports and locks when they are used to circumvent restrictive measures or the oil price cap, and adds criteria for the designation of vessels involved in transshipments (ship-to-ship).

It also clarifies that the prohibition on offering insurance or reinsurance to designated ships does not preclude compensation for previous claims, and that reinsurance may not be offered to second-hand Russian aircraft or ships for five years after their sale or lease.

F. Individual restrictive measures

22 individuals and 42 entities have been added to Annex I of Regulation (EU) 269/2014, including persons in charge of state propaganda, entities of the military-industrial complex and persons linked to the deportation of Ukrainian minors.

⁶ Regulation (EU) No 833/2014 includes several annexes specifying the goods and technologies subject to bans or strengthened controls in relation to Russia:
- Annex VII: covers dual-use items and technologies, i.e. those that can be used for both civilian and military purposes (e.g. electronic equipment, encryption software, precision machinery).

- Annex XXI: lists advanced technological goods that contribute to the industrial or technological strengthening of Russia, including semiconductors, microprocessors, sensors, industrial machinery or telecommunications equipment.

- Annex XXIII: covers industrial components and sensitive materials (such as technical plastics, chemical materials, metals or specific alloys) which may be used in the manufacture of weapons or military equipment.

⁷ The SPFS, Mir and SBP systems are financial infrastructures created by the Russian Federation to reduce its dependence on Western payment and financial messaging networks. The EU considers that these schemes facilitate the circumvention of financial restrictive measures and, since the 11th package, prohibits European entities from connecting or providing technical or commercial support to them. The 19th package extends this prohibition to intermediaries and entities in third countries that contribute to their use.

These designations entail a freezing of assets and a prohibition on making funds or economic resources available to them.

G. Third-country entities

Annex IV of Regulation (EU) 833/2014⁸ has been expanded to include 45 additional entities, several of which are in China, Hong Kong, Turkey, the United Arab Emirates, Kazakhstan, Uzbekistan, Serbia and Armenia, due to their contributions to the Russian military effort.

The restrictions apply only to designated entities, not to States.

3. Practical implications for businesses

The 19th Package strengthens the requirement for traceability and control over business relationships, extending compliance beyond the simple identification of counterparties subject to restrictive measures. EU-based companies should consider the following priority actions:

- i) **Immediate assessment:** review counterparties, subsidiaries and supply chains to confirm that none are listed in the updated annexes; verify the origin of products and exposure to Russian or Belarusian financial systems.
- ii) **Strengthening of internal controls:** integrate the updated lists of persons and entities subject to restrictive measures into transaction approval systems, apply for licences where necessary and keep documentary evidence of all reviews carried out.
- iii) **Continued monitoring:** apply equivalent controls to Belarus and strengthen surveillance on intermediaries in Central Asia, the Caucasus, the Middle East and other territories at risk of circumvention.

4. Conclusion

The 19th Package consolidates a comprehensive European restrictive measures regime against Russia and Belarus.

The reforms introduced clarify the legal scope of individual restrictive measures, provide uniform definitions of the concepts of ownership and control, and extend the prohibitions to successor or territorial structures used to circumvent the measures.

European companies should verify their exposure to the updated annexes, strengthen their internal procedures and document effective compliance with directly applicable regulations.

This diligence is particularly relevant in the context of the current parliamentary proceedings in Spain on the draft Organic Law transposing Directive (EU) 2024/1226, which will establish criminal liability for serious or systematic non-compliance with Union restrictive measures.

⁸ Annex IV of Regulation (EU) 833/2014 contains the list of legal persons, entities or bodies subject to enhanced export restrictions on dual-use items and technologies, as well as on certain advanced goods and technologies. These entities have been included because they are considered to materially support the Russian military-industrial complex or contribute, directly or indirectly, to its technological or defence upgrades.

Contact



Juan Palomino

Partner, White Collar Crime and Investigations

jpalomino@perezllorca.com

T: +34 91 423 20 87

Offices

Europe ↗

Barcelona
Lisbon
Madrid

Brussels
London

Americas ↗

Bogotá
Mexico City
New York

Medellín
Monterrey

Asia-Pacific ↗

Singapore

The information contained in this Legal Briefing is of a general nature and does not constitute legal advice.

This document was prepared on 30 October 2025 and Pérez-Llorca does not assume any commitment to update or revise its contents.

©2025 Pérez-Llorca. All rights reserved.

Pérez-Llorca App
All our legal content



perezllorca.com ↗

