

# Foreign Secretary imposes UK's most punishing sanctions to inflict maximum and lasting pain on Russia

- comprehensive sanctions covering Russian elites, companies and financial institutions announced following Russia's full-scale invasion of Ukraine
- Russian bank assets in UK to be frozen totally shutting off its banking system from UK finance markets
- the UK is banning Russian state-owned and key strategic private companies from raising finance on the UK financial markets
- more than 100 companies and oligarchs at the heart of Putin's regime hit with sanctions today worth 100s of billions of pounds, asset freezes and travel bans
- punitive new restrictions on trade and export controls against Russia's hi-tech and strategic industries
- Russia's national airline Aeroflot banned from UK airspace
- new restrictions to cut off wealthy Russians' access to UK banks
- the UK is working with allies to exclude Russia from the SWIFT financial system

Following the Prime Minister's announcement to the House of Commons, Foreign Secretary Liz Truss has today outlined in full punishing new sanctions that will devastate Russia's economy and target Putin's inner circle.

Following its illegal invasion of Ukraine the sanctions will ban Russia's economically vital industries and companies from raising finance on the UK's money markets – the most important financial centre in Europe.

They will also stop Russian banks, state and privately owned companies borrowing billions of pounds from UK lenders.

At the same time severe restrictions will hammer Russia's leading defence companies and significantly degrade Russia's economic and military development.

The sanctions will also have an immediate impact on Russia's wealthy elite and Putin's inner circle including his former son-in-law.

Alongside the financial measures, we will substantially strengthen trade restrictions – including our toughest export controls against Russia – hitting its electronics, telecoms and aerospace companies. And Russia's flagship airline Aeroflot will be banned from the UK's airspace.

Under new banking restrictions all Russians will be banned from having significant savings in UK bank accounts.

The UK's sanctions against 120 businesses and oligarchs are part of a concerted strike against the Putin regime carefully co-ordinated with our international allies including the US, the EU, and other G7 partners.

The UK will also issue decisive sanctions against Belarus for its part in the wholly unjustified attack on Ukraine.

Among today's targets are:

- VTB, Russia's second-largest bank with assets totalling £154bn and 95,000 employees
- Rostec, Russia's biggest defence company which exports more than £10bn of arms as year and employs two million people
- five of Putin's inner circle including his ex son-in-law Kirill Shamalov, previously married to his daughter Katarina and Russia's youngest billionaire
- Tactical Missile Corporation, Russia's leading supplier of air and sea missiles which played a leading role in its build up of forces against Ukraine
- Uralvagonzavod, one of the world's largest tank manufacturers

Foreign Secretary, Liz Truss said:

We are inflicting devastating economic pain on Putin and Russia following its unprovoked and illegal invasion of Ukraine.

Today's unprecedented package of sanctions decisively delivers the highest economic cost we have ever imposed on the Kremlin.

Russia is now an international pariah on the world stage.

We will squeeze Putin's regime and all those close to him

responsible for its appalling attack on Ukraine.

We will not rest until Russia's economy has been degraded and Ukraine's sovereignty and territorial integrity restored.

We stand with Ukraine, its people and its democracy and will continue to support them economically, politically and defensively.

These sanctions are in addition to the sanctions imposed on banks, high-net worth individuals, and sanctions soon implemented on 571 members of the Duma and Federation council, as well as territorial sanctions and restrictions on sovereign debt announced on Tuesday.

The Foreign Secretary will shortly embark on a round of shuttle diplomacy in the US and Europe to galvanise a swift, determined and decisive international response to Russia's invasion of Ukraine.

The Government will bring forward legislation shortly to enable these punishing sanctions on Putin and his regime to be implemented.

Acting in coordination our allies, the combined effect of these measures will deliver a devastating blow to Russia's economy and military for years to come.

We will introduce new financial measures to:

- freeze the assets of all Russian banks including, today, a full asset freeze on VTB, Russia's largest bank. Co-ordinated with the US this is by far the single biggest financial sanction in history. Individuals and companies whose assets are frozen will be unable to undertake any business in the UK or with UK nationals
- prevent Russian companies from borrowing on the UK markets, effectively ending the ability of those companies closest to Putin to raise finance in the UK. This is in addition to banning the Russian state itself from raising funds in the UK, as previously announced
- take a power to prevent designated banks from accessing Sterling and clearing payments through the UK. This will match the power the US already has. Banks subject to this measure will be unable to process any payments through the UK or have access to UK financial markets

We will substantially strengthen our trade restrictions to:

- ban the export of a range of high-end and critical technical equipment and components in sectors including electronics, telecommunications, and aerospace

Aligned with the US, EU and other partners, these trade sanctions will

constrain the development of Russian's military-industrial and technological development for years to come.

We are immediately designating more Russian individuals and entities, including:

- Kirill Shamalov, Russia's youngest billionaire and previously married to Putin's daughter Katarina
- Petr Fradkov, head of the recently sanctioned Promsvyazbank and son of the former head of Russian Foreign Intelligence (FSB). Promsvyazbank was designated on February 2022 and services 70% of state contracts by the Russian Defence Ministry
- Denis Bortnikov, Deputy President of Russia's largest bank VTB. Bortnikov is the son of Alexander Bortnikov, the head of the Federal Security Service (FSB) which was responsible for the poisoning of political activist Alexey Navalny in August 2020 with a banned chemical agent from the Novichok group
- Yury Slyusar, director of United Aircraft Corporation, a major aircraft manufacturer for the Russian military
- Elena Aleksandrovna Georgieva, chair of the board of Novikombank, a state-owned defence conglomerate

These individuals will be unable to travel to the UK and any UK-based assets will be frozen.

New sanctions measures will be captured in forthcoming secondary legislation. These will cover:

- asset freezes against all Russian financial institutions
- measures to prevent Russian companies from issuing transferable securities and money market instruments in the UK. This will form a sweeping addition to existing financial restrictions. This is in addition to the prohibition of the Russian state raising sovereign debt in the UK already announced
- a power to prevent designated banks from accessing Sterling and clearing payments through the UK. This will match the power the US already has. Banks subject to this measure will be unable to process any payments through the UK or have access to UK financial markets

- new restrictions to cut off wealthy Russians' access to UK banks including £50,000 limits on bank accounts
- a set of measures to strengthen significantly our trade restrictions against Russia. This will include a prohibition against the export of a range of high-end and critical technical equipment and components in sectors including electronics, telecommunications, and aerospace
- the previously announced extension of financial and trade measures applying to Crimea to the DNR and LNR regions
- any General Licences related to sanctions against VTB will be published on [OFSI's pages](#).

The 5 major defence companies being sanctioned today are:

- Rostec – Russia's largest defence company. We now sanction the vast majority of the Russian defence sector. Rostec is a major arms exporter (\$13bn military exports in 2020)
- Uralvagonzavod – The world's largest tank manufacturer, affiliated with Rostec, which makes more tanks than any other company on the globe
- Tactical Missile Corporation – A major supplier of air and seaborne missiles, which played a key role in rearming and upgrading Russian coastal defences including support to recent Russian military build-up
- United Aircraft Corporation – A holding company that includes all major Russian aircraft manufacturers, including MiG & Sukhoi. It supplies key Russian military aircraft used as part of Russia's military build-up
- United Shipbuilding Corporation – The largest shipbuilding company in Russia. It constructed a number of the key Russian warships, including three Ivan Gren-Class Landing Ships that redeployed to the Black Sea earlier in February 2022