

# UK Statement on Further Economic Sanctions Targeted at the Central Bank of the Russian Federation

News story

Today the UK government has announced its intention to take further restrictive economic measures in response to the invasion of Ukraine by Russia, by targeting the Central Bank of the Russian Federation (CBR).



Following already announced sanctions measures aimed at imposing severe consequences on Russian President Vladimir Putin and the Russian economy, the Chancellor of the Exchequer, in coordination with the Governor of the Bank of England, today announces the UK Government's intention to take further restrictive economic measures in response to the invasion of Ukraine by Russia by targeting the Central Bank of the Russian Federation (CBR). This action is taken in concert with the US and the European Union, to prevent the CBR from deploying its foreign reserves in ways that undermine the impact of sanctions imposed by us and our allies, and to undercut its ability to engage in foreign exchange transactions to support the Russian rouble.

The UK Government will immediately take all necessary steps to bring into effect restrictions to prohibit any UK natural or legal persons from undertaking financial transactions involving the CBR, the Russian National Wealth Fund, and the Ministry of Finance of the Russian Federation. The UK Government intends to make further related designations this week, working alongside our international partners.

The Chancellor said:

These measures demonstrate our determination to apply severe economic sanctions in response to Russia's invasion of Ukraine. We are announcing this action in rapid coordination with our US and European allies to move in lock step once more with our international partners, to demonstrate our steadfast resolve in

imposing the highest costs on Russia and to cut her off from the international financial system so long as this conflict persists.

The Governor of the Bank of England said:

The Bank of England continues to take any and all actions needed to support the Government's response to the Russian invasion of Ukraine. We welcome the steps taken today by the UK Government, in coordination with EU and US authorities, as an important and powerful demonstration of the UK's commitment to the international rule of law.

### **Background for media**

New sanctions measures will cover:

- Restrictions to prohibit UK persons from undertaking financial transactions involving the Central Bank of the Russian Federation, the Russian National Wealth Fund, and the Ministry of Finance of the Russian Federation.
- Restrictions against 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.
- 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 will be published on OFSI's pages [here](#).

Our package of sanctions, the strongest economic measures the UK has ever enacted against Russia, will inflict devastating consequences on President Vladimir Putin and Russia:

- Sanctions will devastate Russia's economy and targets Vladimir Putin directly and his inner circle including Sergey Lavrov.
- More than 100 companies and oligarchs at the heart of Putin's regime have been hit with sanctions worth 100s of billions of pounds, asset freezes and travel bans.
- Hit Russia's banking and defence sector hard; asset freezes on VTB, Russia's second largest bank, worth £154 billion, Rostec, Russia's defence giant, responsible for \$13bn of arms exports per year. Sanctions will also soon be implemented on 571 members of the Duma and Federation council who sanctioned the invasion of Ukraine.
- We have banned Aeroflot and all other Russian commercial and private jets from UK airspace.
- This is not the end. We are working in lock step with allies to go further and exclude Russian banks from the SWIFT financial system.
- We will introduce new financial measures to freeze the assets of Russian banks and lay legislation before Parliament to ban the Russian state and Russia's economically vital industries and companies from raising finance on the UK's money markets – the most important financial centre in Europe.
- Working with allies, we will cripple Russia's economic development in both the short and long term. The UK and our allies are united and clear that nothing and no one is off the table.
- UK sanctions will also apply to Belarussian individuals and organisations that have supported the Russian invasion.

Find out more about the UK's sanctions relating to Russia [here](#).

You can also view the full [UK sanctions list](#).

Published 28 February 2022