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COMMISSION

HIGH REPRESENTATIVE
OF THE UNION FOR
FOREIGN AFFAIRS AND
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2022/0067 (NLE)

Joint Proposal for a

COUNCIL REGULATION

amending Council Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine

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Joint Proposal for a

COUNCIL REGULATION

amending Council Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 215 thereof,

Having regard to Decision (CFSP) 2022/XXX[1] of XX February 2022 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine,

Having regard to the joint proposal of the High Representative of the Union for Foreign Affairs and Security Policy and of the European Commission,

Whereas:

(1) On 31 July 2014, the Council adopted Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.

(2) Regulation (EU) No 833/2014 gives effect to certain measures provided for in Council Decision 2014/512/CFSP.

(3) On [DATE] the Council adopted Decision (CFSP)2022/XXX amending Decision 2014/512/CFSP and imposing further restrictive measures with regard to the provision of financial messaging services to certain Russian credit institutions and their Russian subsidiaries and, subject to certain exceptions, the engagement with the Russian Direct Investment Fund. It also prohibits, subject to certain exceptions, the supply of euro banknotes to Russia.

(4) These measures fall within the scope of the Treaty and, therefore, in particular with a view to ensuring their uniform application in all Member States, regulatory action at the level of the Union is necessary.

(5) Regulation (EU) No 833/2014 should therefore be amended accordingly.

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EU) 833/2014 is amended as follows:

[1] OJ L , , p. .

(1) In Article 2e, paragraphs 3 and 4 are added:

3. ‘It shall be prohibited to invest, participate or otherwise contribute to projects co-financed by the Russian Direct Investment Fund.

4. By way of derogation from paragraph 3, the competent authorities may authorise, under such conditions as they deem appropriate, an investment participation or contribution to projects co-financed by the Russian Direct Investment Fund, after having determined that such an investment participation or contribution is due under contracts concluded before [date of entry into force of the Regulation] or ancillary contracts necessary for the execution of such contracts.’

(2) The following Articles are inserted:

‘Article 5h

It shall be prohibited as of [10 days after entry into force of the Regulation] to provide specialised financial messaging services, which are used to exchange financial data, to the legal persons, entities or bodies listed in Annex XIV or to any legal person, entity or body established in Russia whose proprietary rights are directly or indirectly owned for more than 50% by an entity listed in Annex XIV.

Article 5i

1. It shall be prohibited to sell, supply, transfer or export euro denominated banknotes to Russia or to any natural or legal person, entity or body in Russia, including the government and the Central Bank of Russia, or for use in Russia.

2. The prohibition in paragraph 1 shall not apply to the sale, supply, transfer or export of euro denominated banknotes provided that such sale, supply, transfer or export is necessary for:

   (a) the personal use of natural persons travelling to Russia or members of their immediate families travelling with them; or

   (b) the official purposes of diplomatic missions, consular posts or international organisations in Russia enjoying immunities in accordance with international law.

(3) Article 12 is replaced by the following:

‘Article 12

It shall be prohibited to participate, knowingly and intentionally, in activities the object or effect of which is to circumvent prohibitions in this Regulation including by acting as a substitute for natural or legal persons, entities or bodies referred to in Articles 2e(3), 5, 5a, 5b, 5e5f, 5h and 5i or by acting to their benefit by using the exceptions in Articles 2e(4), 5(6), 5a(2) 5b(2), 5e(2), 5f(2) or 5i(2).’

(4) Annex XIV is inserted in accordance with Annex of this Regulation.

Article 2

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council
The President