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Economic Sanctions Lawyers

Economic Sanctions Update



Washington

Russian Oil Price Cap Sanctions

December 5, 2022

The United States is part of an international coalition, including the G7, the European Union, the United Kingdom, and Australia, that have agreed to prohibit the import of crude oil and petroleum products of Russian Federation origin (the “Price Cap Coalition”). These countries, have also agreed to implement a policy with regard to a broad range of services as they relate to the maritime transport of crude oil and petroleum products of Russian Federation origin.

Effective December 5, 2022, affected entities are prohibited from providing various services in connection with exports of Russian oil, including but not limited to insurance, reinsurance and protection and indemnity cover for the transportation of crude oil from the Russian Federation to countries that do not prohibit the importation of such oil unless they demonstrate the oil was purchased at or below the cap. The cap as of December 5 is \$60 per barrel.

Preliminary guidance on implementation of the price cap policy for petroleum products of Russian Federation origin will be published in the near future.

Published Guidance

The United State

Russian Oil Price Cap Policy Guidance published by the US Treasury (copy attached)

The United Kingdom

Published by the HM Treasury and Office of Financial Sanctions Implementation

<https://www.gov.uk/government/publications/russian-oil-services-ban>

For more information and guidance, please contact:

Hal Eren Washington, DC ☎ + 1 202 429 9883 hal.eren@erenlaw.com

Andrea Ewart Washington, DC ☎ + 1 202 288 6479 andrea.ewart@erenlaw.com

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