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## Sanctions against Russia in place. Kessler: "Europe has been late in responding"

After having worked on negotiations with governments for days, the EU closes its airspace and intensifies sanctions against Russia over its invasion of Ukraine. Now the goal of the EU is to hamstring Russia's economy. The EU will exclude "a number of Russian banks" from the main global payment system, SWIFT. In addition, the EU will paralyse all transactions of the Russian Central Bank with a view to freezing the assets of Russian oligarchs supporting the Kremlin. Belarus is also to be hit by economic sanctions *"Ukraine is one of us and we want it in the Union", said EU Commission President Ursula Von der Leyen interviewed by Euronews.* Alongside economic measures intended as a non-violent response to the conflict, the EU has taken an unprecedented decision: "For the first time ever, the European Union will finance the purchase and delivery of weapons and other equipment to a country that is under attack," said the Commission president at a news briefing in Brussels. *The EU agreed to allocate some €500 million for the delivery of weapons to Kiev.* From a financial angle, "we have reached an agreement to take out of SWIFT a certain number of Russian banks and impose restrictive measures that will paralyse the assets of the Russian Central Bank. More than half or about a half of the financial reserves of the Russian Central Bank will be frozen thanks to this measure because they are held in banks of the G7 countries. This is going to be affecting a lot of the financial system of Russia," said the High Representative of the Union for Foreign Affairs Josep Borrell at a press conference following the extraordinary meeting of Foreign Ministers of EU countries. *The measures are strong but they have been applied too late, and as far as Swift is concerned, only some financial players will be affected.* The exclusion from SWIFT "was discussed at the European Union Council the other day. At that moment there was not the necessary consensus, we continued working on it with our like-minded partners, because such a measure has to be taken in coordination with other countries - it is difficult to take this kind of measure alone," Borell explained. Initially, the SWIFT penalty was opposed by countries with strong trade and commercial relations with Russia, such as Italy, Germany, Austria and Hungary- which feared a block on transactions. But governments have come out in favour over the past hours. The EU High Representative thus clarified the decision to exclude only some banks from SWIFT: "We believe that financial avenues must be kept open to allow people to send money to their families or pay for essential items." *It is to be hoped that these measures will prove successful in what is to all intents and purposes a race against time to stop the war, which is already under way, and Russia's takeover of Ukraine.* Devastating sanctions, such as exclusion from the SWIFT system, had been threatened for weeks in the event that Putin invaded Ukraine. This raises the question as to why these measures were not applied immediately, on the night of February 23-24, when Russia invaded Ukraine. *"Europe's response came too late. And yet European leaders and institutions have had enough time to plan a strong and non-violent action", Giovanni Kessler,* former senior official of the European Commission and ex director of the European Anti-Fraud Office ( OLAF), told SIR. "The exclusion (from SWIFT) targets its financial and banking system and is the first effective sanction immediately perceivable by Putin. Naturally, we have been told, it will be applied in a "selective" manner, to avoid difficulties in the payment of Russian gas (with which Putin finances his military)," Kessler explained. *Moreover, the EU can still be blackmailed over its dependence on gas.* "Gas and oil account for most of Russia's exports, hence measures should have targeted these supplies. Diversifying sources, such as gas, is crucial for Europe to avoid being at the mercy of one supplier alone," he said. "Negotiations on gas supplies, especially transported by ship, have been ongoing for months between the EU and countries such as Japan, Qatar and Nigeria. Russian troops have been deployed on the border with Ukraine most certainly since November. "Russian President Vladimir Putin probably thought he could enter undetected and replace the government, but was met with resistance from the Ukrainian people," he added. According to Kessler, Mr Putin is aiming to "make Ukraine like Belarus -

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an apparently independent state that is actually controlled by Russia. Belarusian President Alexander Lukashenko has been ruling for over 20 years. He has repressed all forms of opposition carried out by NGOs, journalists and activists." The EU is now launching a strong but belated response, thereby impairing the effectiveness of the proposed measures, such as exclusion from SWIFT, previously applied to Iran, "which proved to be an effective deterrent", Kessler points out. *Indeed, alternatives to SWIFT already exist - more laborious, but they do exist - in response to fears that international payments between EU companies and Russia or for gas supplies might be halted.* "One particular Russian company has established a mechanism for international transactions involving a network of over 400 banks. Affected stakeholders frequently find ways to bypass the measure, which at least blocks funding in the short term, however," Kessler says. *The EU likewise pledged to strongly combat the disinformation carried out by the Kremlin.* "In an unprecedented step, we will ban in the EU the Kremlin's media machine. The state-owned Russia Today and Sputnik, as well as their subsidiaries will no longer be able to spread their lies to justify Putin's war and to sow division in our Union. So we are developing tools to ban their toxic and harmful disinformation in Europe," Von der Leyen said in a statement. With regard to Belarus, the EU plans to stop their exports of products from mineral fuels to tobacco, wood and timber, cement, iron and steel. The export restrictions introduced on dual-use goods for Russia will be extended to Belarus. "We will sanction those Belarusians helping the Russian war effort", reiterated Von der Leyen. "Our airspace will be closed to every Russian plane – and that includes the private jets of oligarchs", she said. But there is a risk that the delay in responding to a crisis that European leaders have been monitoring for months may have highlighted weaknesses in governance capabilities.

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