Q&A on the EU sanctions against Russia

This note addresses a number of frequently asked questions regarding the potential impact on international arbitrations seated in Sweden by the sanctions issued by the European Union in relation to the political situation between Ukraine and Russia.

The European Union has adopted a number of restrictive measures targeting the economic activities of a limited number of individuals and companies (“the Regulations”). The restrictive measures also apply to subsidiaries controlled by the listed companies.

As a number of misunderstandings have arisen as the result of politicized debates on the legitimacy and purposes of the sanctions, the SCC has prepared the following information.

**The EU sanctions apply to a limited number of persons and entities.**

The Regulations apply to a limited number of persons and entities. The Regulations do not impose a general prohibition on trade with Russian parties; the overwhelming majority of Russian businesses and investors are not subject to any restrictive measures from the European Union.

**Parties of any nationality may still refer disputes to SCC**

The impartiality and independence of the SCC procedure remains the same, for all parties irrespective of nationality. Russian parties will not be treated differently than other parties, and Russian parties are not prevented from agreeing on arbitration under the SCC Rules in Stockholm, or any other venue within the European Union.

The SCC is a non-political and non-profit organisation, which does not take sides and which treats parties of all nationalities equally.

**The arbitral procedure remains the same**

The SCC arbitration procedure continues to be open for all parties, irrespective of nationality. In this respect, nothing has changed.

The Regulations do not affect the arbitration procedure as such.

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1 EC 208/2014 dated 5 March 2014 with amendments; EC 269/2014 dated 17 March 2014 with amendments
2 Detailed information on the listed companies and individuals available at [http://europa.eu/newsroom/highlights/special-coverage/eu_sanctions/index_en.htm](http://europa.eu/newsroom/highlights/special-coverage/eu_sanctions/index_en.htm)
New administrative measures

The Regulations have resulted in the SCC adding a limited number of administrative steps in the SCC case management process.

In short, additional information regarding the parties’ ownership or control structure will be needed at any stage of the proceedings. Parties are therefore asked to provide the SCC with such information.

For additional information, contact Ms Natalia Petrik at natalia.petrik@chamber.se

Can a listed party request arbitration at the SCC?

A person or entity listed in the Regulations can file a request for arbitration with the SCC.

Before so doing, the SCC urges that such a listed person or entity informs the SCC of the dispute prior to submitting the request for arbitration, so that required administrative measures can be met.

For the purpose of facilitating the management of a potential request for arbitration involving a listed party, the SCC maintains a dialogue with the relevant Swedish authorities on the practical aspects of the administrative measures required by the Regulations.

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The SCC has also issued General information for parties covered by the EU Sanctions, available on the SCC website.

For additional information, contact Ms Natalia Petrik at natalia.petrik@chamber.se