

COUNCIL DECISION 2014/872/CFSP**of 4 December 2014****amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine, and Decision 2014/659/CFSP amending Decision 2014/512/CFSP**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Article 29 thereof,

Whereas:

- (1) On 31 July 2014, the Council adopted Decision 2014/512/CFSP ⁽¹⁾.
- (2) On 8 September 2014, the Council adopted Decision 2014/659/CFSP ⁽²⁾ in order to impose further restrictive measures.
- (3) The Council considers it necessary to clarify certain provisions.
- (4) Further action by the Union is needed in order to implement certain measures,

HAS ADOPTED THIS DECISION:

Article 1

Decision 2014/512/CFSP is hereby amended as follows:

(1) Article 1 is amended as follows:

(a) paragraph 3 is replaced by the following:

'3. It shall be prohibited to directly or indirectly make or be part of any arrangement to make new loans or credit with a maturity exceeding 30 days to any legal person, entity or body referred to in paragraph 1 or 2, after 12 September 2014 except for loans or credit that have a specific and documented objective to provide financing for non-prohibited direct or indirect imports or exports of goods and non-financial services between the Union and Russia or any other third State, or for loans that have a specific and documented objective to provide emergency funding to meet the solvency and liquidity criteria for legal persons established in the Union, whose proprietary rights are owned for more than 50 % by an entity referred to in Annex I;'

(b) the following paragraph is added:

'4. The prohibition in paragraph 3 shall not apply to drawdown or disbursements made under a contract concluded before 12 September 2014 if:

(a) all the terms and conditions of such drawdown or disbursements:

- (i) were agreed before 12 September 2014; and
- (ii) have not been modified on or after that date; and

(b) before 12 September 2014, a contractual maturity date had been fixed for the repayment in full of all funds made available and for the cancellation of all the commitments, rights and obligations under the contract.

The terms and conditions of drawdowns and disbursements referred to in this paragraph include provisions concerning the length of the repayment period for each drawdown or disbursement, the interest rate applied or the interest rate calculation method, and the maximum amount.'

(2) In Article 2, paragraph 4 is replaced by the following:

'4. The prohibition in paragraphs 1, 2 and 3 shall be without prejudice to the execution of contracts concluded before 1 August 2014 or ancillary contracts necessary for the execution of such contracts, and to the provision of spare parts and services necessary for the maintenance and safety of existing capabilities within the Union.'

⁽¹⁾ Council Decision 2014/512/CFSP of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 229, 31.7.2014, p. 13).

⁽²⁾ Council Decision 2014/659/CFSP of 8 September 2014 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 271, 12.9.2014, p. 54).

(3) In Article 3, paragraph 3 is replaced by the following:

'3. The prohibitions in paragraphs 1 and 2 shall be without prejudice to the execution of contracts concluded before 1 August 2014 or ancillary contracts necessary for the execution of such contracts.'

(4) In Article 3a, paragraph 3 is replaced by the following:

'3. The prohibitions in paragraph 1 and 2 shall be without prejudice to the execution of contracts concluded before 12 September 2014 or ancillary contracts necessary for the execution of such contracts, and to the provision of assistance necessary for the maintenance and safety of existing capabilities within the EU.'

(5) Article 4 is replaced by the following:

Article 4

1. The direct or indirect sale, supply, transfer or export of certain equipment suited to the following categories of exploration and production projects in Russia, including its Exclusive Economic Zone and Continental Shelf, by nationals of Member States, or from the territories of Member States, or using vessels or aircraft under the jurisdiction of Member States, shall be subject to prior authorisation by the competent authority of the exporting Member State:

- (a) oil exploration and production in waters deeper than 150 metres;
- (b) oil exploration and production in the offshore area north of the Arctic Circle;
- (c) projects that have the potential to produce oil from resources located in shale formations by way of hydraulic fracturing; it does not apply to exploration and production through shale formations to locate or extract oil from non-shale reservoirs.

The Union shall take the necessary measures in order to determine the relevant items to be covered by this paragraph.

2. The provision of:

- (a) technical assistance or other services related to the equipment referred to in paragraph 1;
- (b) financing or financial assistance for any sale, supply, transfer or export of the equipment referred to in paragraph 1 or for the provision of related technical assistance or training;

shall also be subject to prior authorisation by the competent authority of the exporting Member State.

3. The competent authorities of the Member States shall not grant any authorisation for any sale, supply, transfer or export of the equipment or the provision of the services, as referred to in paragraphs 1 and 2, if they determine that the sale, supply, transfer or export concerned or the provision of the service concerned is destined for one of the categories of exploration and production referred to in paragraph 1.

4. Paragraph 3 shall be without prejudice to the execution of contracts concluded before 1 August 2014 or ancillary contracts necessary for the execution of such contracts.

5. An authorisation may be granted where the sale, supply, transfer or export of the items or the provision of the services, as referred to in paragraphs 1 and 2, is necessary for the urgent prevention or mitigation of an event likely to have a serious and significant impact on human health and safety or the environment. In duly justified cases of emergency, the sale, supply, transfer or export or the provision of services, as referred to in paragraphs 1 and 2, may proceed without prior authorisation, provided that the exporter notifies the competent authority within five working days after the sale, supply, transfer or export or the provision of services has taken place, providing detail about the relevant justification for the sale, supply, transfer or export or the provision of services without prior authorisation.'

(6) In Article 4a, paragraph 1 is replaced by the following:

'1. The direct or indirect provision of associated services necessary for the following categories of exploration and production projects in Russia, including its Exclusive Economic Zone and Continental Shelf, by nationals of Member States, or from the territories of Member States, or using vessels or aircraft under the jurisdiction of Member States shall be prohibited:

- (a) oil exploration and production in waters deeper than 150 metres;
- (b) oil exploration and production in the offshore area north of the Arctic Circle;
- (c) projects that have the potential to produce oil from resources located in shale formations by way of hydraulic fracturing; it does not apply to exploration and production through shale formations to locate or extract oil from non-shale reservoirs.'

Article 2

Recital 5 of Decision 2014/659/CFSP is replaced by the following:

- (5) In this context, it is appropriate to extend the prohibition in relation to certain financial instruments. Additional restrictions on access to the capital market should be imposed in relation to State-owned Russian financial institutions, certain Russian entities in the defence sector, and certain Russian entities whose main business is the sale or transportation of oil. These prohibitions do not affect the financial services not referred to in Article 1.'

Article 3

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

Done at Brussels, 4 December 2014.

For the Council
The President
S. GOZI
