

EDN: OHTIYA

# LEGAL ASPECTS OF THE USE OF PROFITS FROM RUSSIAN SOVEREIGN ASSETS BY EU COUNTRIES

---

**V. V. Voynikov<sup>1,2</sup>** 

---

<sup>1</sup> MGIMO University,  
76, Prospekt Vernadskogo, Moscow, 119454, Russia

<sup>2</sup> Immanuel Kant Baltic Federal University,  
14, A. Nevskogo St., Kaliningrad, 236041, Russia

Received 25 January 2025

Accepted 24 March 2025

doi: 10.5922/2079-8555-2025-2-2

© Voynikov, V. V., 2025

*The issue of using frozen Russian sovereign assets has remained at the centre of political and expert debate for nearly three years. In 2024, the G7 decided to allocate profits generated from these assets to service a syndicated loan intended to finance military and other forms of assistance to Ukraine. In early 2024, within the framework of its sanctions policy, the European Union adopted a set of legislative instruments designed to establish a Union-level legal mechanism for appropriating the profits derived from the investment of frozen Russian sovereign assets. This decision poses a serious challenge to modern international law and the system of international relations. This article seeks to outline the key characteristics of the EU-agreed mechanism for the utilization of Russian sovereign assets, with a view to evaluating its consistency with international law and the legal framework of the European Union itself. In pursuit of this aim, the author examines the legal dimension of the mechanism for the expropriation of profits from the use of Russian sovereign assets and attempts to model its potential implications, including possible countermeasures by the Russian Federation. The analysis leads to the conclusion that the mechanism as adopted may result in a breach of the Russian Federation's sovereign property rights, as well as other foundational principles of international law. Moreover, the EU's decision to channel profits from Russian sovereign assets into the EU's ownership raises a number of additional legal conflicts under both national and EU law.*

**Keywords:**

European Union, Russia, Ukraine, sovereign assets, international law, windfalls profits

---

**To cite this article:** Voynikov, V. V. 2025, Legal aspects of the use of profits from Russian sovereign assets by EU countries, *Baltic Region*, vol. 17, № 2, p. 30–48. doi: 10.5922/2079-8555-2025-2-2

## Introduction

In September 2024, Executive Vice President of the European Commission Valdis Dombrovskis announced that the first transfer of €1.4 billion, consisting of proceeds from immobilised Russian assets, had been made to the European Peace Facility for the procurement of weapons for Ukraine.<sup>1</sup> The EU commenced the realisation of the plan to utilise frozen Russian assets.

The freezing and prospective use of Russian sovereign assets remains among the most contentious issues in the current Russia–EU relations. Sovereign assets include funds that form part of Russia’s international reserves and are held in foreign jurisdictions. Primarily, this refers to funds invested in foreign financial assets by the Central Bank of Russia [1, p. 10]. After the start of the special military operation (SMO), the G7 and the EU decided to immobilise Russian sovereign assets held within their jurisdictions. As of February 2022, approximately half of Russia’s international reserves were affected by this measure.

According to expert estimates, approximately €200 billion in Russian sovereign assets are currently blocked in EU countries.<sup>2</sup> In addition, around US \$40 billion is frozen in the US and approximately US\$20 billion in the UK.<sup>3</sup>

Almost simultaneously with the immobilisation of Russia’s sovereign assets at the EU and G7 level, discussion broke out as to the confiscation of these assets for the benefit of Ukraine [2, p. 82]. After prolonged deliberations, no acceptable option for confiscating Russian assets was found, although the idea was not discarded. It was proposed to appropriate not the assets themselves but solely the revenue derived from their use. In the first half of 2024, the mechanism for utilising Russian sovereign assets was established at the level of the EU. The decision to utilise Russian sovereign assets will have far-reaching legal, political and financial implications. The EU’s scheme, coordinated with G7 countries, to seize profits derived from the use of Russian assets presents a range of academic and practical challenges that require comprehensive analysis and the formulation of measures to safeguard sovereign property in the future.

This study undertakes a legal analysis of the EU mechanism for the use of Russian sovereign assets and identifies the potential consequences of its practical application.

---

<sup>1</sup> Verbatim report of proceedings. Tuesday, 17 September 2024 — Strasbourg, *European Parliament*, URL: [https://www.europarl.europa.eu/doceo/document/CRE-10-2024-09-17\\_EN.html](https://www.europarl.europa.eu/doceo/document/CRE-10-2024-09-17_EN.html) (accessed 05.01.2025).

<sup>2</sup> EU Blocks More Than €200 Billion in Russian Central Bank Assets, *Bloomberg*, URL: <https://www.bloomberg.com/news/articles/2023-05-25/eu-has-blocked-200-billion-in-russian-central-bank-assets> (accessed 05.12.2024).

<sup>3</sup> Runde, E. 2023, Why the European Commission’s Proposal for Russian State Asset Seizure Should be Abandoned. March 23, 2023, *Just Security*, URL: <https://www.justsecurity.org/85661/why-the-european-commissions-proposal-for-russian-state-asset-seizure-should-be-abandoned/> (accessed 05.01.2025).

## Legal framework for blocking and utilising Russian foreign assets

After the beginning of the SMO in Ukraine, the EU Council adopted Decision № 2022/395<sup>1</sup> and Regulation 2022/394,<sup>2</sup> under which the Union imposed restrictions on Russia's sovereign assets. According to Article 5a(4) of Regulation № 833/2014, as amended by Regulation № 2022/394, a prohibition was introduced on all transactions related to the management of the reserves and assets of the Central Bank of Russia.

Restrictions on Russian sovereign assets were introduced for the first time as part of the EU's sanctions policy against Russia. Until February 2022, the EU had focused primarily on applying blocking financial measures against private entities and only rarely on so-called trade sanctions [3, p. 245].

On 12 February 2024, the EU Council adopted Decision № 2024/577<sup>3</sup> and a corresponding regulation,<sup>4</sup> according to which central securities depositories holding assets and/or reserves of the Central Bank of Russia exceeding €1 million are required, from 15 February 2024, to account separately for funds from redeemed securities as well as income generated from their use (Article 1(8)). Furthermore, these central securities depositories are prohibited from disposing of the income derived from the use of the aforementioned funds. Thus, the European Commission has initiated practical measures to lay the legal groundwork for seizing income derived from Russian sovereign property.<sup>5</sup> On 21 May 2024, the Council adopted Decision No. 2024/1470<sup>6</sup> and Regulation № 2024/1469,<sup>7</sup> which created a legal mechanism for utilising the income generated by Russian sovereign assets.

<sup>1</sup> Council Decision (CFSP) 2022/395 of 9 March 2022 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. OJ L 81, 09.03.2022, p. 8—11.

<sup>2</sup> Council Regulation (EU) 2022/394 of 9 March 2022 amending Regulation (EU) № 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. OJ L 81, 09.03.2022, p. 1—7.

<sup>3</sup> Council Decision (CFSP) 2024/577 of 12 February 2024 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. OJ L, 2024/577, 14.02.2024.

<sup>4</sup> Council Regulation (EU) 2024/576 of 12 February 2024 amending Regulation (EU) № 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. OJ L, 2024/576, 14.02.2024.

<sup>5</sup> Sexton, J. P., Kerr, V. 2024, EU Support to Ukraine through Windfall Profits: Reparative Value, International Law, and Future Pathways. Sep 23, 2024, *Lieber Institute*, URL: <https://lieber.westpoint.edu/eu-support-ukraine-windfall-profits-reparative-value-international-law-future-pathways/> (accessed 05.01.2025).

<sup>6</sup> Council Decision (CFSP) 2024/1470 of 21 May 2024 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. OJ L, 2024/1470, 22.05.2024.

<sup>7</sup> Council Regulation (EU) 2024/1469 of 21 May 2024 amending Regulation (EU) № 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. OJ L, 2024/1469, 22.05.2024.

Under the aforementioned Union acts, the Council obliged central securities depositories in EU member states to transfer to the Union 99.7 % of the net (windfall) profit obtained from the use of Russian sovereign assets in the form of cash balances after deduction of corporate tax and retention of a small portion to ensure compliance with capital and risk management requirements. This profit will subsequently be used to fund military and other assistance to Ukraine (Article 1(2)(9)).

Therefore, under the approved mechanism, windfall profits from Russian assets are treated as the income of the depository, which, after payment of corporate tax, is in effect subject to a windfall tax of 99.7 %, although the Union's legal acts do not use the term 'tax'. To put it differently, windfall profits from the frozen Russian sovereign assets are first liable to national taxation in Belgium at a rate of 25 %, <sup>1</sup> with the remaining amount subsequently subject to a Union-level levy in the form of a mandatory financial contribution of 97.7 %.

According to the regulation, the amount received as a mandatory financial contribution is transferred to the benefit of the EU and allocated to the European Peace Facility (90 %) and programmes of assistance to Ukraine (10 %). This distribution may be amended through the adoption of a Council's implementing act.

The approved mechanism for utilising Russian assets does not envisage their transfer into the ownership of EU member states. The assets, as well as any accrued coupons and dividends, remain the property of the Russian Federation. Based on the Council's decision and regulation, the focus is solely on windfall income profits from the assets, which include interest earned on cash balances from redeemed securities. The EU considers windfall income to be the profit of the central securities depositories and, therefore, not part of Russia's sovereign property.

The approved mechanism is thus based on the plan put forward by the European Commission on 30 November 2022. <sup>2</sup> The Commission concluded that there were no lawful means of confiscating Russian sovereign assets and that, in its view, Member States would ultimately be required to return all funds belonging to the Russian Federation that are in their possession. In this regard, the Commission proposed investing the frozen assets of the Central Bank of Russia to generate additional income, which would then be transferred into the ownership of the Union and utilised to finance Ukraine.

The central securities depositories (CSDs) located within the Union are the primary entities subject to the obligations set out in the EU legal acts. Securities and funds belonging to Russia are held in the accounts of these depositories. At present, there are two main depositories operating in EU member states: Euro-

<sup>1</sup> Innovative Avenues to finance reparation in the UK, URL: <https://redress.org/wp-content/uploads/2024/01/Innovative-Approaches-Report-v.4.pdf> (accessed 25.12.2024).

<sup>2</sup> Ukraine: Commission presents options to make sure that Russia pays for its crimes, *European Commission*, URL: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_7311](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_7311) (accessed 10.12.2024).

clear, headquartered in Brussels, and Clearstream, based in Luxembourg. The majority of Russian-owned securities and funds are held in accounts at Euroclear, amounting to approximately €191 billion.<sup>1</sup>

Funds from redeemed securities are credited to the accounts of the depository, and under normal circumstances, the owner is entitled to dispose of them at their discretion. However, due to the freezing of Russian assets, the funds from redeemed securities remain under the depository's management. Central securities depositories do not hold these funds in cash, in line with corporate investment strategies, but invest them in other low-risk assets, most commonly Eurobonds. Such investments generate additional income, regarded as windfall profits, which is subject to appropriation by the Union under the EU Council's adopted legal acts.

According to Euroclear, approximately €159 billion in funds from redeemed securities belonging to Russia are held under its management.<sup>2</sup> Based on published data, Euroclear earned approximately €4.4 billion in windfall income from the use of Russian sovereign assets between February 2022 and 15 February 2024. Overall, expert evaluations estimate that central securities depositories in the EU earned approximately €5 billion from the frozen assets of the Central Bank of Russia between March 2022 and 15 February 2024.<sup>3</sup>

Funds received before 15 February 2024 remain at the disposal of the central securities depositories as collateral to cover potential costs and losses arising from possible claims by Russia (para. 21 of the Preamble to Regulation N° 2024/1469). The lack of retroactive effect of the regulation concerning the use of Russian assets is intended to minimise the legal consequences of retroactive actions.<sup>4</sup> Thus, the developers of this mechanism foresee the possibility of adverse consequences arising from the use of sovereign assets and provide the central securities depositories with certain guarantees against potential retaliatory measures by Russia.

As discussed earlier, the EU's decision to utilise profits from Russian sovereign assets was made within the framework of agreements reached by the G7.

<sup>1</sup> Franchini, D. 2024, Immobilised Assets, Extraordinary Profits: The EU Council Decision on Russia's Central Bank Reserves and Its Legal Challenges, *EJIL: Talk!*, URL: <https://www.ejiltalk.org/immobilised-assets-extraordinary-profits-the-eu-council-decision-on-russias-central-bank-reserves-and-its-legal-challenges/> (accessed 25.12.2024).

<sup>2</sup> G7 Agreement to Use Windfall Profits Is Ratings Neutral for Euroclear, *Fitch Ratings*, URL: <https://www.fitchratings.com/research/banks/g7-agreement-to-use-windfall-profits-is-ratings-neutral-for-euroclear-19-06-2024> (accessed 05.01.2025).

<sup>3</sup> Franchini, D. 2024, Immobilised Assets, Extraordinary Profits: The EU Council Decision on Russia's Central Bank Reserves and Its Legal Challenges, *EJIL: Talk!*, URL: <https://www.ejiltalk.org/immobilised-assets-extraordinary-profits-the-eu-council-decision-on-russias-central-bank-reserves-and-its-legal-challenges/> (accessed 25.12.2024).

<sup>4</sup> Sexton, J.P., Kerr, V. 2024, EU Support to Ukraine through Windfall Profits: Reparative Value, International Law, and Future Pathways, *Lieber Institute*, URL: <https://lieber.westpoint.edu/eu-support-ukraine-windfall-profits-reparative-value-international-law-future-pathways/> (accessed 05.01.2025).

At the group's summit in June 2024, an agreement was reached to launch an Extraordinary Revenue Acceleration (ERA) loans initiative for Ukraine, amounting to US\$ 50 billion. This programme is to be implemented collectively, namely, Ukraine will receive a syndicated loan to be serviced and repaid using windfall profits from frozen Russian sovereign assets held within the EU and other relevant jurisdictions.<sup>1</sup> It was planned that the EU and the US would each provide US\$ 20 billion, with the remaining US\$ 10 billion contributed by Canada, Japan and the United Kingdom [4].

On 25 October 2024, the leaders of the G7 reached a consensus on the mechanism for allocating a syndicated loan to Ukraine.<sup>2</sup> On 9 October 2024, members of the EU Council agreed to allocate a €35 billion loan to Ukraine as part of the G7 syndicated loan. On 24 October 2024, the Council and Parliament adopted a regulation establishing a credit cooperation mechanism for Ukraine.<sup>3</sup> This regulation established the requisite legal framework for the provision of the EU loan and its repayment through profits from frozen Russian sovereign assets. The regulation establishes a credit cooperation mechanism to provide Ukraine with non-recoverable financial assistance for repaying the EU loan as well as other loans granted on a bilateral basis. The total amount of loans repayable under this mechanism is €45 billion. As set out in the regulation, this mechanism is financed by profits derived from frozen Russian sovereign assets, alongside additional contributions from member states and third countries.

An implementing regulation of the Council<sup>4</sup> was adopted concurrently, amending Regulation N° 833/2014 to require that all profits from frozen Russian assets be accumulated within the framework of the Ukraine Facility.

Thus, in line with the arrangements agreed by the G7, the EU devised a scheme for the use of frozen Russian sovereign assets under which the Union will extend a €35 billion macro-financial loan to Ukraine from its own funds. The repayment of this loan will be ensured through the resources of the Credit Facility, which will be funded primarily by windfall profits from the use of frozen Russian assets. To this end, the EU will disburse funds to Ukraine from the Credit Facility, which will be reimbursed to the EU as repayments of principal, interest and other loan servicing costs.

---

<sup>1</sup> G7 Apulia Leaders' Communiqué, 14 June 2024, URL: <https://www.whitehouse.gov/briefing-room/statements-releases/2024/06/14/g7-leaders-statement-8/> (accessed 08.01.2025).

<sup>2</sup> G7 Leaders' Statement on Extraordinary Revenue Acceleration (ERA) Loans, URL: <https://www.g7italy.it/wp-content/uploads/G7-Leaders-Statement-on-Extraordinary-Revenue-Acceleration-ERA-Loans.pdf> (accessed 08.01.2025).

<sup>3</sup> Regulation (EU) 2024/2773 of the European Parliament and of the Council of 24 October 2024 establishing the Ukraine Loan Cooperation Mechanism and providing exceptional macro-financial assistance to Ukraine. OJ L, 2024/2773, 28.10.2024.

<sup>4</sup> Council Implementing Regulation (EU) 2024/2761 of 24 October 2024 implementing Regulation (EU) N° 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. OJ L, 2024/2761, 28.10.2024.



When analysing the mechanism for utilising immobilised Russian assets, two questions are of principal importance in determining the legitimacy of such a measure: whether the EU has the authority to take such a decision, and who is the original owner of windfall profits derived from Russian sovereign assets.

### **The EU's competence to utilise Russian sovereign assets**

Despite its extensive integration, the EU remains an international organisation whose powers are derived from its member states. One of the Union's fundamental principles is that of conferral. According to Article 5 of the Treaty on the European Union (TEU), the EU may act only within the limits of the competences conferred upon it by the treaties concluded with its member states. Any competences not conferred upon the Union under the treaties remain with the member states. The boundaries of EU competences must be respected both by the Union's institutions and by the member states themselves [5, p. 289]. Specifically, by virtue of the principle of conferral, the EU is authorised to act and adopt binding acts solely in matters that have been explicitly delegated to it by the member states. The source of power in the EU lies with the member states [6, p. 579], and the Union may not assume new competences on its own initiative.

Recent EU practice shows that EU officials often overlook this principle and adopt decisions without due regard for the scope of competences conferred upon the EU by the member states.

All Union acts establishing the mechanism for the use of profits from Russian sovereign assets were adopted within the EU's competence to impose restrictive measures. The legal framework for such measures lies in Article 29 of the TEU and Article 215 of the Treaty on the Functioning of the European Union (TFEU).

According to Article 215 of the TFEU, restrictive measures may entail the partial or complete suspension or reduction of economic and financial relations with one or more third countries. The establishment of a mechanism for the appropriation of profits derived from Russian sovereign assets by the EU cannot be characterised as a suspension or curtailment of such relations. This mechanism represents a fundamentally new development in EU law, neither envisaged by the founding treaties nor stemming from the competences conferred upon the Union by its Member States. The unanimous adoption of Council Decisions № 2024/577 of 12 February 2024 and № 2024/1470 of 21 May 2024 does not constitute the legal conferral of the relevant competence to the Union. As outlined above, the boundaries of the Union's competences, as set out in the founding treaties, must be respected by both Union institutions and the member states. Therefore, any additional competence may be granted to the Union only through an amendment of the founding treaties.

Therefore, within the existing EU legal framework, the Union is not authorised to adopt acts establishing a mechanism for the appropriation of profits derived from the reinvestment of foreign sovereign assets. From a procedural perspective, based on the principles of the division of competences between the Union and

its member states, the adoption of such decisions falls within the exclusive competence of the member states. Furthermore, these Union decisions will produce legal effects exclusively for two EU countries: Belgium and Luxembourg, under whose jurisdiction the two main central securities depositories are located.

### **Ownership rights over windfall profits from the use of Russian assets**

Determining ownership rights over windfall profits from frozen Russian assets is of paramount importance. According to the position of the European Commission and the High Representative for Foreign Affairs and Security Policy, who were the architects of the draft legislation, profits from the use of Russian assets do not constitute sovereign property of the Russian Federation.

As previously mentioned, only the income generated from investing funds received from redeemed securities is subject to appropriation by the EU. The funds remain in the depositories until the owner exercises control over their use. Consequently, according to the authors of the draft legislation and members of the expert community, the interest currently generated from these funds belongs to the depositories rather than the Central Bank of Russia.<sup>1</sup> However, this viewpoint is contentious, as it raises numerous legal questions under both national and international law.

According to the general principles of private law in the continental legal system, income and fruits derived from the use of an asset belong to the owner of that asset (Article 136 of the Russian Civil Code, Article 955 of the German Civil Code,<sup>2</sup> Article 547 of the Napoleonic Code<sup>3</sup>). This principle holds irrespective of who utilises the asset.

As a general rule, depositories must manage entrusted property in the interests of their clients, for which they receive remuneration. Therefore, it can be concluded that the profits from the use of Russian sovereign assets also constitute the property of the Russian Federation, while the central depositories are entitled only to remuneration for asset management services.

From a legal perspective, there is no clear distinction between state ownership of assets and of the profits derived from those assets.<sup>4</sup> Sovereign property holds a special status and entails a legal regime that should also extend to the profits derived from it.

---

<sup>1</sup> Wiśniewska, I. 2024, The EU's decision to use the profits generated by frozen Russian assets, *Centre for Eastern Studies (OSW)*, URL: <https://www.osw.waw.pl/en/publikacje/analyses/2024-05-24/eus-decision-to-use-profits-generated-frozen-russian-assets> (accessed 25.12.2024).

<sup>2</sup> Bürgerliches Gesetzbuch (BGB), *Bundesministerium der Justiz*, URL: <https://www.gesetze-im-internet.de/bgb/BJNR001950896.html> (accessed 25.12.2024).

<sup>3</sup> Code civil, URL: <https://codes.droit.org/PDF/Code%20civil.pdf> (accessed 25.12.2024).

<sup>4</sup> Keitner, C. 2024, Sovereign Immunity and Reparations in Ukraine, *Just Security*, URL: <https://www.justsecurity.org/92531/sovereign-immunity-and-reparations-in-ukraine/> (accessed 15.12.2024).



Information on the terms governing the placement of securities owned by the Russian Federation in the central depositories is unavailable. Thus, it is difficult to ascertain whether the accumulated interest constitutes ‘windfall profits’ of the depositories or should be attributed to the income of the securities’ owner.<sup>1</sup>

The ownership rights of central securities depositories over profits derived from frozen Russian assets may therefore be contested. Should this occur, the entire mechanism for utilising the assets of the Central Bank of Russia would collapse, causing adverse consequences both for the depositories and for the Union itself.

Sovereign assets are generally exempt from taxation and protected from any enforcement measures. Similar rules should apply to the profits derived from these assets.

Furthermore, even if the income is recognised as belonging to the depositories, questions arise regarding the legitimacy of imposing an additional financial contribution to the EU amounting to 99.7 % of the profits received, especially considering that income tax has already been paid on this income at the national level (25 % in Belgium). The legality of such a fiscal measure at the Union level depends on maintaining a fair balance between the general interests of society and the protection of ownership rights.<sup>2</sup> In this scenario, the ownership rights of the central depositories and their shareholders, including non-EU residents, are infringed.

Moreover, taxation or similar measures must not be discriminatory. If a tax on windfall profits is introduced, it should apply uniformly to all cases of income generated from investing funds from redeemed securities. In this instance, however, only profits from Russian sovereign assets are subject to the mandatory financial contribution. This situation also raises serious concerns regarding the observance of legality.

### **International law aspects of the use of Russian sovereign assets**

The EU’s decision to appropriate profits derived from Russian sovereign assets held in central securities depositories poses a serious challenge to international law and the international obligations of EU countries.

---

<sup>1</sup> Franchini, D. 2024, Immobilised Assets, Extraordinary Profits: The EU Council Decision on Russia’s Central Bank Reserves and Its Legal Challenges, *EJIL Talk!*, URL: <https://www.ejiltalk.org/immobilised-assets-extraordinary-profits-the-eu-council-decision-on-russias-central-bank-reserves-and-its-legal-challenges/> (accessed 25.12.2024).

<sup>2</sup> Ibid.

Academics and legal experts have consistently maintained that, given their distinctive legal status, sanctions targeting central bank assets entail a significant risk of breaching fundamental principles of international law [7, p. 22]. The risk of violating international law increases substantially in the event of confiscating sovereign assets, with the doctrine of sovereign immunity constituting the main international legal barrier to such confiscation or other forms of use.

There are strong grounds to believe that the doctrine of sovereign immunity equally protects both the sovereign assets themselves and the profits derived from their use.

The modern international system is based on the equality of all states; accordingly, no single country or group of countries holds authoritative power over others [8, p. 49]. In other words, no state or coalition has the right to deem another state culpable to impose punitive measures against it.

It has been argued that confiscation of Russian sovereign property might be justified as a countermeasure.<sup>1</sup> International law permits the use of coercive measures by some states against others. However, such measures are unilateral and constitute a form of countermeasure as defined in the 2001 Articles on Responsibility of States for Internationally Wrongful Acts, drafted by the UN International Law Commission (Article 48).<sup>2</sup> Countermeasures are aimed at compelling the wrongdoing state to fulfil its obligations [9, p. 104]. In order to be lawful, countermeasures must satisfy a number of substantive and procedural requirements [10, p. 236]. A defining characteristic of such measures is their reversibility and temporary nature.<sup>3</sup> Although in EU political language and that of certain other states, the term ‘sanctions’ is commonly used in place of ‘restrictive measures’ [11, p. 23], such measures do not constitute sanctions in legal terms. The appropriation of profits derived from sovereign assets lacks the attribute of reversibility, as the approved mechanism does not provide for the return of funds to Russia.

---

<sup>1</sup> Akande, D., Corten, O., Hamamoto, S., Klein, P., Koh, H. H., Reichler, P., Fabri, H. R., Sands, P., Schrijver, N., Tams, C. J., Zelikow, P. 2024, On Proposed Countermeasures Against Russia to Compensate Injured States for Losses Caused by Russia’s War of Aggression Against Ukraine, London: International Institute for Strategic Studies, URL: [https://www.iiss.org/globalassets/media-library---content--migration/files/research-papers/2024/05-new/iiss\\_on-proposed-countermeasures-against-russia-to-compensate-injured-states-for-losses-caused-by-russias-war-of-aggression-aga.pdf](https://www.iiss.org/globalassets/media-library---content--migration/files/research-papers/2024/05-new/iiss_on-proposed-countermeasures-against-russia-to-compensate-injured-states-for-losses-caused-by-russias-war-of-aggression-aga.pdf) (accessed 15.12.2024).

<sup>2</sup> Draft Articles on Responsibility of States for Internationally Wrongful Acts, *Report of the International Law Commission on the work of its 53<sup>rd</sup> session*, URL: [https://www.un.org/ru/documents/decl\\_conv/conventions/pdf/responsibility.pdf](https://www.un.org/ru/documents/decl_conv/conventions/pdf/responsibility.pdf) (accessed 05.12.2024).

<sup>3</sup> Hathaway, O. A., Mills, M., Poston, T. 2023, The Emergence of Collective Countermeasures, *Lieber Institute*, URL: <https://lieber.westpoint.edu/emergencecollective-countermeasures> (accessed 15.01.2025).

Accordingly, from the perspective of international law, the seizure of sovereign property itself or profits derived from it cannot be classified as a countermeasure. Nevertheless, as noted above, the mechanism was adopted within the EU's competence to impose restrictive measures, i.e. countermeasures as understood within the framework of the Articles on State Responsibility.

International law, much like domestic legal systems, obliges the responsible party to make reparation to the injured party for harm inflicted. However, for a compensation mechanism to operate, there must be a legal ground — either the consent of the responsible party or a decision by a competent authority

In contemporary civil law, delictual liability requires the claimant to prove the wrongful conduct of the liable party, the occurrence of damage, a causal link between the wrongful act and the damage, and the amount of harm incurred. Similar conditions for establishing liability apply equally in international law.

Despite the prevailing narrative in the United States, the European Union, and several other countries regarding Russia's alleged liability for an aggressive war against Ukraine—as well as frequent references to terms such as 'Russian invasion' and 'Russian military aggression' [12, p. 100]—there is, at present, no internationally recognised legal ruling that formally establishes Russia's responsibility [13, p. 57]. Even the United Nations General Assembly Resolution № ES-11/5<sup>1</sup> of 14 November 2022, frequently cited by Western experts [14, p. 1], lacks this characteristic as it does not have binding legal force for states.

Consequently, there are no legal grounds to impose on Russia an obligation to compensate Ukraine for damages, and the likelihood of such grounds emerging in the future is extremely low. Neither collective decisions by the G7 countries and the EU, nor even United Nations General Assembly resolutions, constitute a sufficient legal basis confirming that Russia has committed unlawful acts entailing a duty to make reparations. The assertion that Russia committed an act of aggression is a subjective opinion held by certain countries or international organisations in which neither Russia nor the majority of the world's states participate. Such a qualification of Russia's actions carries legal force only within the domestic legal systems of the respective countries or international organisations. Repeated statements across various platforms about 'Russian aggression against Ukraine' contribute to shaping public opinion but do not provide the necessary legal qualification to justify coercive measures against Russian sovereign property.

---

<sup>1</sup> United Nations General Assembly Resolution ES-11/514 of November 2022. Furtherance of remedy and reparation for aggression against Ukraine, *United Nations*, URL: <https://documents-dds-ny.un.org/doc/UNDOC/LTD/N22/679/17/PDF/N2267917.pdf?OpenElement> (accessed 11.12.2024).

Primarily, there are no essential international legal grounds empowering the EU to impose coercive measures on the sovereign assets of the Russian Federation.

Advocates of seizing income from Russian assets, and even confiscating the assets themselves, attempt to justify such actions by Russia's purported obligation to pay reparations to Ukraine [15], assuming that this obligation is beyond dispute.<sup>1</sup> However, this position is based on a misunderstanding of the nature of reparations as a form of responsibility in international law. At the same time, Russia holds a clear position, denying guilt for initiating the armed conflict in Ukraine and refusing to compensate for damages.

Reparations constitute one form of material responsibility of subjects of international law for harm caused as a result of an internationally wrongful act committed against another subject of international law [16, p. 255; 17, p. 49].

In international relations, the basis for compensation, including reparations, typically derives from the consent of the relevant state, as expressed in a formal document, such as a peace treaty or an act of unconditional surrender. This implies that the state acknowledges having committed an internationally wrongful act and agrees to provide compensation for the resulting damage to a specified extent. In some cases, this basis may be a decision by an international judicial body whose jurisdiction is recognised by the state obliged to provide compensation.<sup>2</sup>

The emergence of a legal obligation to pay reparations or provide other forms of compensation does not arise solely from persistent demands by one or more states. The so-called international registers of damage for Ukraine<sup>3</sup> do not provide a legal basis for reparations, as their actions do not create any obligations for Russia.

Among existing reparation mechanisms, none can be applied to compel Russia against its will to compensate Ukraine [18, p. 993]. Moreover, reparations in the strict legal sense (i.e., voluntarily provided by Russia to Ukraine) will be impossible if the conflict does not end in Ukraine's favour.<sup>4</sup>

---

<sup>1</sup> Anderson, S.R. 2024, Understanding the G7's New Plan for Funding Ukraine, *LAWFARE*, URL: <https://www.lawfaremedia.org/article/understanding-the-g7-s-new-plan-for-funding-ukraine> (accessed 23.01.2025).

<sup>2</sup> Franchini, D. 2024, Immobilised Assets, Extraordinary Profits: The EU Council Decision on Russia's Central Bank Reserves and Its Legal Challenges, *EJIL Talk!*, URL: <https://www.ejiltalk.org/immobilised-assets-extraordinary-profits-the-eu-council-decision-on-russias-central-bank-reserves-and-its-legal-challenges/> (accessed 25.12.2024).

<sup>3</sup> Register of Damage for Ukraine, *RD4U*, URL: <https://rd4u.coe.int/en/> (accessed 25.12.2024).

<sup>4</sup> Sexton, J.P., Kerr, V. 2024, EU Support to Ukraine through Windfall Profits: Reparative Value, International Law, and Future Pathways, *Lieber Institute*, URL: <https://lieber.westpoint.edu/eu-support-ukraine-windfall-profits-reparative-value-international-law-future-pathways/> (accessed 05.01.2025).

The seizure of income from Russian property or the assets themselves is sometimes proposed as a measure of collective self-defence (Art. 51 of the UN Charter). However, serious doubts exist as to whether self-defence can be exercised by non-military means [19], such as confiscation. Moreover, measures taken in self-defence must be temporary, necessary and proportionate.<sup>1</sup>

### **Political and legal consequences of utilising Russian sovereign assets**

The legal issues outlined above, arising from the implementation of the mechanism for seizing profits derived from Russian sovereign property, are not exhaustive.

The mechanism adopted by the EU for utilising income from Russian sovereign assets raises numerous additional questions and may also engender adverse consequences for the Union and the global financial system as a whole. Even during the early discussions of this mechanism, the European Central Bank expressed concerns about the reputation of the euro and the security of European government bonds as a store of value for other central banks.<sup>2</sup>

The Euroclear management has also expressed concern regarding the potential consequences of seizing income from Russian property. In particular, direct trade and investment channels between Asia and the Middle East are expanding, potentially facilitating the emergence of a non-European competitor to Euroclear.<sup>3</sup> Such developments could undermine trust in the governments and financial systems of states that choose to confiscate either the assets themselves or profits derived from their use [13, p. 58].

The implementation of a mechanism to seize all or part of Russia's sovereign property could create a dangerous precedent, whereby one or several countries unilaterally impose financial sanctions on other states by targeting sovereign assets. This could pave the way for numerous claims for compensation from various states for damages resulting from armed conflicts. Particularly, potential new claims against the Federal Republic of Germany concerning additional reparations from World War II are frequently mentioned.<sup>4</sup> Germany, however, is not the only country that could potentially face such claims. Since the end of World

<sup>1</sup> Ibid.

<sup>2</sup> Legal options for confiscation of Russian state assets to support the reconstruction of Ukraine, *European Parliament*, URL: [https://www.europarl.europa.eu/RegData/etudes/STUD/2024/759602/EPRS\\_STU\(2024\)759602\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2024/759602/EPRS_STU(2024)759602_EN.pdf). P. 41 (accessed 05.01.2025).

<sup>3</sup> Valero, J. 2024, Euroclear Warns of Liability Risk in Confiscating Russian Assets, *BNN Bloomberg*, URL: <https://www.bnnbloomberg.ca/investing/2024/12/10/euroclear-warns-of-liability-risk-in-confiscating-russian-assets/> (accessed 15.01.2025).

<sup>4</sup> Wiśniewska, I. 2024. The EU's decision to use the profits generated by frozen Russian assets, *Centre for Eastern Studies (OSW)*, URL: <https://www.osw.waw.pl/en/publikacje/analyses/2024-05-24/eus-decision-to-use-profits-generated-frozen-russian-assets> (accessed 25.12.2024).

War II, dozens of international conflicts involving states have occurred annually [20, p. 25], often with significantly higher casualties among military personnel and civilians. Furthermore, some of the countries involved in these conflicts participate in the development and implementation of the mechanism for seizing Russian property.

Looking ahead, states impacted by armed conflicts may seek to apply material liability mechanisms—financed through foreign-held assets—against those currently advocating such measures against Russia. As a result, the mechanism may produce a boomerang effect, raising concerns about its long-term legal and geopolitical implications.

From the perspective of establishing peace, the decision to seize profits derived from the use of Russian assets is unlikely to advance the resolution of the conflict. On the contrary, it may lead to its prolongation, as such a seizure reduces Russia's incentive to negotiate with the EU and countries of the West.<sup>1</sup> This appears to represent yet another attempt to exert pressure on Russia with the aim of compelling it to make concessions, without the offer of reciprocal measures. However, this tactic has repeatedly proven ineffective.

As mentioned above, the EU's decision to seize profits from Russian sovereign assets is merely one element of a broader scheme to provide a syndicated loan under the G7 arrangements. In effect, the EU and other G7 countries are granting Ukraine a loan to be repaid using the profits derived from Russian assets. Effectively, the G7 insists that the loan to Ukraine should be repaid at Russia's expense, regardless of Russia's refusal.

The implementation of this scheme engenders numerous practical challenges. In particular, there arises the issue of synchronising loan repayments with the accumulation of profits from the utilisation of Russian sovereign assets,<sup>2</sup> since windfall profits will only arise while restrictive measures blocking the assets of the Central Bank of the Russian Federation remain in force.

These restrictive measures are temporary and are extended every six months by unanimous decision of all EU member states. Should even one country refuse to prolong the measures, they will automatically lapse. This scenario may seem improbable at present, given the strong 'Union discipline' and mechanisms of pressure on dissenting members, yet it cannot be ruled out in the future. Moreover, calls from Hungary and Slovakia to abandon sanction policies are already becoming insistent. Furthermore, there have been cases where individual EU

---

<sup>1</sup> Proud, I. 2024, Russian asset seizure scheme will prolong war. Western officials want to 'speed up' the use of interest on Moscow's frozen funds to loan Ukraine more money, *Responsible Statecraft*, URL: <https://responsiblestatecraft.org/russian-asset-seizure/> (accessed 10.01.2025).

<sup>2</sup> Steinbach, A. 2024, How to harvest the windfall profits from Russian assets in Europe, *Bruegel*, URL: [https://www.bruegel.org/system/files/2024-06/how-to-harvest-the-windfall-profits-from-russian-assets-in-europe-10101\\_0.pdf](https://www.bruegel.org/system/files/2024-06/how-to-harvest-the-windfall-profits-from-russian-assets-in-europe-10101_0.pdf) (accessed 20.12.2024).



member states have blocked the adoption of restrictive measures as a means of exerting pressure on other Union members over issues beyond the remit of this study [21, p. 142].

If these restrictions are lifted or fail to be renewed, Russia will immediately withdraw its assets from the affected jurisdictions. In that event, the entire syndicated loan servicing scheme will collapse. Undoubtedly, EU leadership will make every effort to maintain the immobilisation of Russian assets, but this strategy carries numerous risks.

The question of how Russia might respond to violations of property rights is of considerable importance when analysing the potential consequences of the seizure of profits from Russian sovereign assets. Russian authorities have repeatedly stated that Russia will respond to the confiscation of its property abroad.<sup>1</sup>

On 23 September 2024, President of Russia adopted Decree № 442,<sup>2</sup> which establishes a procedure for compensating damage caused to the state and the Central Bank of Russia in response to unfriendly actions by the US. The decree provides for the possibility of judicial compensation for damage resulting from the unlawful expropriation of property by the US, through the seizure of assets owned by the US or by US persons. The decree was adopted in response to the approval by the US Congress of Bill 8038, the 21st Century Peace Through Strength Act,<sup>3</sup> which provides for the potential confiscation of Russian sovereign assets.<sup>4</sup>

At present, a draft law is being developed to regulate compensation for damage caused to Russia or the Central Bank of Russia by other countries that have frozen Russian assets.<sup>5</sup> In response to the freezing of Russian assets, Russia has adopted reciprocal measures targeting the assets of residents of unfriendly states. These, however, go beyond sovereign assets [22, p. 17]. According to certain

<sup>1</sup> Siluanov: v Rossii zamorozheno ne men'she zapadnykh aktivov, chem tam — rossiyskikh [Siluanov: In Russia, no fewer Western assets are frozen than Russian ones abroad], *Delovoy Peterburg*, URL: <https://www.dp.ru/a/2024/02/26/siluanov-v-rossii-zamorozheno2> (accessed 20.01.2025).

<sup>2</sup> On the special procedure for compensation of damage caused to the Russian Federation and the Central Bank of the Russian Federation in connection with the unfriendly actions of the United States of America, Decree of the President of Russia of 23.05.2024 № 442, *Collected Legislation of the Russian Federation*, 27.05.2024, № 22, Article 2937.

<sup>3</sup> H.R.8038 — 21st Century Peace through Strength Act, *CONGRESS.GOV*, URL: <https://www.congress.gov/bill/118th-congress/house-bill/8038/text?s=3&r=25&q=%7B%22search%22%3A%22H.R.+8038%22%7D> (accessed 20.01.2025).

<sup>4</sup> Timofeev, I. N. 2024, On the new mechanism for confiscation of Russian sovereign assets: consensus of the US Administration and Congress, *Russian International Affairs Council*, URL: [https://russiancouncil.ru/analytics-and-comments/analytics/o-novom-mekhanizme-konfiskatsii-rossiyskikh-suverennykh-aktivov-konsensus-administratsii-i-kongressa/?sphrase\\_id=171849386](https://russiancouncil.ru/analytics-and-comments/analytics/o-novom-mekhanizme-konfiskatsii-rossiyskikh-suverennykh-aktivov-konsensus-administratsii-i-kongressa/?sphrase_id=171849386) (accessed 12.01.2025).

<sup>5</sup> Gravhev, E., Pertseva, E., 2025, Sanctions phenomenon: Russia will enshrine in law the seizure of foreign assets, *Izvestiya*, URL: <https://iz.ru/1825384/evgenii-grachev-evgeniia-pertceva/sankcionnoe-yavlenie-v-rossii-zakrepyat-v-zakone-izyatie-inostrannykh-aktivov> (accessed 05.01.2025).

estimates, foreign assets in Russia total \$ 194 billion, with \$ 90 billion owned by European companies — nearly three times the amount held by firms headquartered in the US (\$ 32 billion). Thus, if Russia retaliates for the seizure of profits from its property, it will ultimately be European businesses that bear the cost of financing Ukraine.<sup>1</sup>

## **Conclusion**

The utilisation of Russian sovereign property has been under discussion for three years. To date, among the possible methods for utilising Russian assets, EU institutions have selected the most cautious approach, involving the transfer to the Union of ownership of windfall profits derived by central depositories from investing funds associated with redeemed securities owned by Russia. Thus, the assets themselves, in the form of securities and cash, as well as coupon income and dividends, are not subject to seizure and remain immobilised.

This decision was made within the framework of agreements reached by the G7. According to these arrangements, the EU, the US, the UK, Canada and Japan provide Ukraine with a syndicated loan, which will be serviced using profits derived from Russian sovereign assets.

During 2024, EU institutions developed the necessary legal framework to seize windfall profits derived from Russian sovereign property and direct the resulting funds to finance the military campaign in Ukraine.

The mechanism adopted by the EU for the seizure of profits from Russian sovereign assets is part of a broader scheme to finance Ukraine via a syndicated loan. During its development and implementation, experts have repeatedly expressed doubts regarding the legality and advisability of this measure. Analysis of the mechanism reveals numerous inconsistencies with national and international law, as well as with EU legal norms.

Firstly, the new mechanism for utilising Russian assets was developed and implemented within the framework of the restrictive measures policy, yet upon review, it cannot be classified as a restrictive measure. Moreover, the founding treaties do not explicitly confer upon EU institutions the competence to make such decisions. Thus, there are grounds to consider that these institutions have exceeded their powers or at least chosen an inappropriate method to achieve the stated objectives.

Secondly, the claim that windfall profits generated from the use of Russian sovereign assets belong to central depositories rather than to Russia itself appears legally contentious. Under prevailing principles of continental civil law, the fruits derived from the utilisation of property are considered to belong to

---

<sup>1</sup> Steinbach, A. 2024, How to harvest the windfall profits from Russian assets in Europe, *Bruegel*, URL: [https://www.bruegel.org/system/files/2024-06/how-to-harvest-the-windfall-profits-from-russian-assets-in-europe-10101\\_0.pdf](https://www.bruegel.org/system/files/2024-06/how-to-harvest-the-windfall-profits-from-russian-assets-in-europe-10101_0.pdf) (accessed 20.12.2024).

its rightful owner. In any case, a precise determination requires knowledge of the terms governing the placement of Russian assets in central depositories' accounts.

Thirdly, the seizure of profits from Russian assets contravenes international law by violating the principle of sovereign immunity, since legally there is no basis to distinguish between ownership of sovereign assets and the income generated from their use. Attempts to justify the confiscation of both assets and their income as an obligation for Russia to pay reparations rest on a misunderstanding of this concept as defined in international law.

To conclude, from a legal standpoint, the EU's decision to appropriate income from Russian assets involves significant deficiencies, posing substantial direct and indirect risks that could seriously undermine the global financial system in the future.

## References

1. Voynikov, V. 2024, Confiscation Estonian style: legal and political aspects of potential seizure of Russian assets in EU countries, *Baltic Region*, vol. 16, № 1, p. 4—22, <https://doi.org/10.5922/2079-8555-2024-1-1>
2. Lebedeva, O. 2022, The Wild West of Sanctions: Confiscation of Frozen Russian Assets as a Possible New Tool of U.S. Sanction Policy, *Perspectives and prospects. E-journal*, № 4, p. 80—87 (in Russ.), <https://doi.org/1010.32726/2411-3417-2022-4-80-8>
3. Timofeev, I. N. 2024, The European Union trade sanctions against Russia: Contemporary practice, *Vestnik Sankt-Peterburgskogo Universiteta. Ekonomika*, vol. 40, № 2, p. 233—247 (in Russ.), <https://doi.org/10.21638/spbu05.2024.205>
4. Butchard, P. 2024, Sanctions, international law and seizing Russian assets. 7 November 2024, Research Briefing, URL: <https://commonslibrary.parliament.uk/research-briefings/cbp-10034/>. P. 90 (accessed 20.12.2024).
5. Galushko, D. V. 2020, On the role of the principles of EU law in its interaction with the national law of the Member States, *Proceedings of Voronezh State University Series Law*, № 2, p. 284—293 (in Russ.), <https://doi.org/10.17308/vsu.proc.law.2020.2/2817>
6. Mikhaliyova, T. N., Kiseleva, A. V., Rimashevskaya, Yu. S. 2022, Competence of the European Union, *Proceedings of the XXI World Scientific Conference devoted to the 101st anniversary of the Belarusian State University, Minsk*, Minsk, October 27, 2022, Belarusian State University, p. 578—583 (in Russ.).
7. Franchini, D. 2024, When finance becomes a weapon: the challenge of central bank sanctions under International Law, *Journal of International Trade Law and Policy*, vol. 24, № 1, p. 28—56, <https://doi.org/10.1108/JITLP-07-2024-0041>
8. Kravchenko, O. I. 1998, Jurisdictional immunity of the state: absolute or limited? *Belarusian Journal of International Law and International Relations*, vol. 1, p. 48—54 (in Russ.).
9. Boklan, D., Boklan, O., Smbatyan, A. 2016, Relevance of articles on responsibility of states for internationally wrongful acts of 2001 for legal defense in WTO dispute settlement mechanism, *Mezhdunarodnoe pravosudie*, № 4, p. 99—113 (in Russ.), <https://doi.org/10.21128/2226-2059-2016-4-99-113>

10. Jackson, M., Paddeu, F. 2023, The Countermeasures of Others: When Can States Collaborate in the Taking of Countermeasures? *American Journal of International Law*, vol. 118, № 2, p. 231—274, <https://doi.org/10.1017/ajil.2024.8>
11. Romanova, T. 2024, The evolution of the discourse on sovereignty and sanctions and its Significance for the EU's external Relations, *International Trends / Mezhdunarodnye protsessy*, vol. 22, № 1, p. 22—41 (in Russ.), <https://doi.org/10.46272/IT.2024.22.1.76.6>
12. Guérot, U., Hauke, R. 2024, Endspiel Europa: Warum das politische Projekt Europa gescheitert ist und wie wir wieder davon träumen können, Westend, 208 p.
13. Shevtsov, A. L. 2024, Possible confiscation of Russian state assets in the west: legal and political Zugzwang, *Vestnik Instituta Ekonomiki Rossiyskoy Akademii Nauk (The Bulletin of the Institute of Economics of the Russian Academy of Sciences)*, № 3, p. 47—60 (in Russ.), [https://doi.org/10.52180/2073-6487\\_2024\\_3\\_47\\_60](https://doi.org/10.52180/2073-6487_2024_3_47_60)
14. Nagy, C. I. 2025, Can Ukrainians Claim Compensation for War Damage under the Russia-Ukraine BIT? An International Investment Law Experiment, University of Pennsylvania, *Journal of International Law*, vol. 46, № 4, <http://dx.doi.org/10.2139/ssrn.4919808>
15. Criddle, E. J. 2023, Turning Sanctions into Reparations: Lessons for Russia/Ukraine, *Faculty Publications*, 2123, URL: <https://scholarship.law.wm.edu/facpubs/2123> (accessed 31.01.2025).
16. Savchenko, M. S. 2003, Restitution as a form of international legal responsibility for criminal attacks on cultural property, *Uchenye zapiski Sankt-Peterburgskogo im. V. B. Bobkova filiala Rossiiskoi tamozhennoi akademii* [Scientific notes of the St. Petersburg named after V. B. Bobkov branch of the Russian Customs Academy. V. B. Bobkov Branch of the Russian Customs Academy], vol. 1, p. 253—270 (in Russ.).
17. Kolosov, Yu. M. 2014, The Responsibility in international law, 2th edition, Moscow, 224 p. (in Russ.).
18. Hathaway, O. A., Mills, M., Poston, T. 2024, War Reparations: The Case for Countermeasures, *Stanford Law Review*, vol. 76, № 5, p. 971—1050.
19. Buchan, R. 2023, Non-forcible measures and the law of self-defence, *International and Comparative Law Quarterly*, vol. 72, № 1, p. 1—33, <https://doi.org/10.1017/S0020589322000471>
20. Stepanova, E. 2020, Armed conflicts in the early 21st century: typology and directions of transformation, *World Economy and International Relations*, vol. 64, № 6, p. 24—39, <https://doi.org/10.20542/0131-2227-2020-64-6-24-39>
21. Panov, F. Yu. 2022, International Legal Basis for the Introduction of EU Unilateral Restrictive Measures, *Journal of Foreign Legislation and Comparative Law*, vol. 18, № 1, p. 137—146 (in Russ.), <https://doi.org/10.12737/jflcl.2022.018>
22. Volkov, G. Yu. 2024, Prospects for the implementation of the risk of confiscation of Russian foreign assets by representatives of the administration of unfriendly countries, *Law, economics and management: topical issues*, Materials of the All-Russian scientific and practical conference with international participation, Cheboksary, p. 15—18 (in Russ.), <https://doi.org/10.31483/r-110337>

## The author

---

**Prof Vadim V. Voynikov**, MGIMO University, Russia; Immanuel Kant Baltic Federal University, Russia.

<https://orcid.org/0000-0003-1495-3227>

E-mail: [voinicov@yandex.ru](mailto:voinicov@yandex.ru)



Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution – Noncommercial – No Derivative Works <https://creativecommons.org/licenses/by-nc-nd/4.0/deed.en> (CC BY-NC-ND 4.0)