



**AUSTRALIAN BANKERS'  
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Sanctions Section  
Department of Foreign Affairs and Trade  
R.G. Casey Building  
John McEwen Crescent  
Barton ACT 0221 Australia

[sanctions@dfat.gov.au](mailto:sanctions@dfat.gov.au)

Dear Sir/Madam,

**Autonomous Sanctions Amendment (Russia, Crimea and Sevastopol) Regulation 2014  
Autonomous Sanctions (Russia, Crimea and Sevastopol) Specification 2014**

The Australian Bankers' Association (**ABA**) on behalf of member banks appreciates the opportunity to provide comment on the "*Autonomous Sanctions Amendment (Russia, Crimea and Sevastopol) Regulation 2014 and Autonomous Sanctions (Russia, Crimea and Sevastopol) Specification 2014*".

With the active participation of 24 member banks in Australia, the ABA provides analysis, advice and advocacy for the banking industry and contributes to the development of public policy on banking and other financial services.

The ABA works with government, regulators and other stakeholders to improve public awareness and understanding of the industry's contribution to the economy and to ensure Australia's banking customers continue to benefit from a stable, competitive and accessible banking industry.

We note the current definitions and wording contained in the proposed regulation and specification are identical to those contained in the equivalent European Union (**EU**) sanctions, and that this is in keeping with the intent of the Australian Government to align with like-minded States.

We do however, note the EU released changes to their sanction laws and regulations in early December. Those changes include a number of clarifications as to technologies, equipment, industry and regions as well as financial instruments. Noting the Australian Government's approach to replicate EU measures we highly recommend DFAT consider, adopt and replicate these recent EU changes in their entirety.

As in previous DFAT consultations, ABA members always welcome the opportunity to engage with DFAT on technical issues before finalisation of any guidance.

The ABA believes that the recently updated EU regulations which now contain more clarity should be adopted in Australia.

For example:

Under the draft instruments currently issued by DFAT there are some practical difficulties in identifying transactions given the generic nature of the export sanctioned goods contemplated under the instruments e.g. equipment and technology relating to the creation, acquisition or development of infrastructure in the transport, telecommunications and energy sector.

Equally, parts of the regulation could benefit from some additional clarity, in particular:

Autonomous Sanctions Amendment (Russia, Crimea and Sevastopol) Regulation 2014; Schedule 1 – Amendments. At the end of regulation 5A:

(5) For these regulations, **sanctioned commercial activity** also means the direct or indirect purchase or sale of, or any other dealing with bonds, equity, transferable securities, money market instruments or other similar financial instruments, if the financial instrument:

The terms 'or any other dealing with bonds' and 'or other similar financial instruments' in this amendment have the potential to be misinterpreted in scope even with the provision of the money-market instruments and tradeable securities definitions.

Finally, the ABA would also welcome more descriptive guidance on the description of sanctions goods and more specifically defence matériel and then how DFAT would expect banks to detect these based on the current definition.

Once DFAT have had time to consider all submissions, the ABA would be happy to arrange a call between DFAT and ABA members to discuss this submission or assist in the finalisation of any technical guidance.

Yours sincerely,



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Aidan O'Shaughnessy