

CLIENT ALERT

EU Adopts Magnitsky-Like Sanctions Program

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On December 7, 2020, The Council of the European Union adopted a global human rights sanctions regime, similar to the Magnitsky Sanctions program used by the Department of the Treasury's Office of Foreign Assets Control (OFAC). The EU's framework will permit it to target individuals, entities, and bodies, whether state or non-state actors, and those who provide technical, financial, or material support to those who are "responsible for, involved in or associated with serious human rights violations and abuses worldwide, no matter where they occurred." This includes the imposition of targeted sanctions for acts such as genocide, crimes against humanity and other serious human rights violations or abuses (*e.g.*, torture, slavery, arbitrary executions, arbitrary detentions, etc.), and other widespread, systemic and serious human rights violations (*e.g.* human trafficking, sexual and gender-based violations, violations or abuses of freedom of assembly, association, speech, religion).

The program will permit member states or the High Representative of the EU for Foreign Affairs and Security Policy to propose any sanctions under the program, which will then be acted upon by the Council of the EU. The Council may then impose restrictive measures such as travel bans, freezing of funds, and forbidding persons and entities in the EU from making funds available, directly or indirectly, to those designated. This program greatly expands the scope of the EU's sanctions program which was historically more targeted and geographically-based. The new program provides the EU with the authority to impose sanctions on individuals and entities, regardless of their location, that are accused of human rights abuses. The program entered into force on December 8, 2020, but sanctions have yet to be imposed under the new program.

The program comes only months behind the first sanctions imposed under a similar program in the United Kingdom and after continued additions to both the UK and OFAC's Magnitsky program. In particular, on December 9, in commemoration of International Anti-Corruption Day, OFAC designated additional individuals in Liberia, the Kyrgyz Republic, and China for being current or former government officials responsible for corruption. On December 10, International Human Rights Day, both OFAC and the UK designated additional entities and individuals worldwide for their roles in serious human rights abuses. It remains to be seen whether the new EU program will soon join the U.S. and the UK in proactively making use of its new sanctions regime.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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