

Canada bans Russian gold imports and export of various manufacturing services, and designates ‘disinformation agents’

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As the Russian invasion of Ukraine enters the half-year mark, Canada continues to implement sanctions in response to Russia’s actions. In early July, Canada [announced](#) new measures prohibiting the import of certain gold and gold products from Russia and designating as listed persons certain individuals and entities whom Canada has identified as Russian disinformation agents. Canada also [announced](#) new measures prohibiting the export of manufacturing services in relation to certain oil, gas, chemical and other manufacturing industries.

These new measures add to existing Russian sanctions which have been progressively expanded since Russia invaded Ukraine beginning in February of this year.

Import restrictions: gold products

New measures amend the [Special Economic Measures \(Russia\) Regulations](#) (the Russia Regulations), prohibiting any person in Canada or any Canadian outside Canada from importing, purchasing or acquiring certain gold products from Russia or from any person in Russia. The prohibited gold products include

- monetary gold, whether unwrought, semi-manufactured, or in powder form
- non-monetary unwrought gold in powder or non-powder forms
- non-monetary semi-manufactured gold
- articles of jewelry and their parts of precious metal other than silver, whether plated or not, or clad with precious metal
- articles of goldsmiths’ or silversmiths’ wares or parts made of precious metal other than silver, whether plated or not, or clad with precious metal

A full list of the prohibited goods and their Harmonized Commodity Description codes can be found in the newly added [Schedule 9](#) of the [Russia Regulations](#). This ban entered into force on July 7, 2022.

The new sanctions also prohibit any person in Canada or any Canadian outside Canada from knowingly doing anything which causes, facilitates or assists in, or is intended to cause, facilitate or assist in, the import, purchase or acquisition of any of these newly banned goods. The measures, imposed in conjunction with parallel measures by the United States, United Kingdom and Japan, are intended to shut these goods from Russia out of formal international markets and to further isolate Russia from the international financial system.^[1]

This ban will not apply to any goods in transit through Russia from a third country or to any personal effects taken by an individual leaving Russia that are solely for the use of the individual or the individual's immediate family.

Additional restrictions on provision of manufacturing services

Canada further introduced additional new measures prohibiting any person in Canada and any Canadian outside of Canada to provide to Russia, or any person in Russia, any services incidental to manufacturing generally, or to the manufacture of metal products, machinery and equipment in relation to various mining and energy industries, as well as the following industries

- manufacture of basic metals
- manufacture of fabricated metal products, machinery and equipment
- manufacture of computer, electronic and optical products
- manufacture of electrical equipment
- manufacture of motor vehicles, trailers and semi trailers
- manufacture of other transport equipment
- land transport and transport via pipelines

The prohibition of manufacturing services in relation to the above expanded industry list have been added to Part 1 and Part 2, respectively, of Schedule 8 to the Russia Regulations.

The addition of manufacturing services to Schedule 8, Part 1, is an expansion of Canada's existing ban on 28 services in relation to certain energy and mining industries announced on [June 8, 2022](#) (though they came into force June 7, 2022). The new amendments clarify that any services prohibited pursuant to Schedule 8 of the Russia Regulations do not apply until 60 days after the service was prohibited, *if* the service is provided pursuant to an existing contract entered into prior to the date the ban took effect. For further information on the original ban of 28 services that came into force on June 7, 2022, see our previous [Update](#).

The additional ban on manufacturing services related to mining, energy and the above expanded industry list entered into force on July 14, 2022.

Sanctions relating to disinformation

The new measures also expand upon the list of persons which, under existing sanctions, Canadians or persons in Canada are prohibited from direct or indirect dealings. Specifically, Canada has sanctioned 30 new individuals and 15 entities who have been identified by the Canadian government as Russian disinformation agents, who bear responsibility for enabling and supporting Russia's invasion of Ukraine. A full list of targeted individuals and entities can be found in the [Consolidated Canadian Autonomous Sanctions List](#).

Canada's existing Russian sanctions

These amendments follow on various other sanctions and trade restrictions on Russia that Canada has recently imposed. Prior restrictions introduced in response to Russia's 2022 actions in Ukraine include prohibitions on

- the export to Russia or persons in Russia of goods on the newly created [Restricted Goods](#)

and Technologies List

- the export of products used in the manufacture of weapons
- the export of products requiring export permits (as well as the revocation of existing export permits that had previously been granted)
- the import and export of certain “luxury goods” to Russia and Belarus

Canada has also imposed sector-specific restrictions regarding the import of Russian oil and gas and the export of a number of services related to Russia's energy and defence industries.

To date, and in addition to the above import and export restrictions, Canada's sanctions enacted in response to Russia's invasion of Ukraine further include

- measures prohibiting Canadians or persons in Canada from entering into any direct or indirect dealings with various designated persons or persons acting on their behalf, or knowingly causing, facilitating, assisting or intending to cause, facilitate or assist such dealings. This includes a prohibition on dealing in any property, providing any financial or related services or making any goods available to such persons. The lists of designated persons change rapidly; a consolidated list of designated persons subject to the Russian Regulations can be found in the Consolidated Canadian Autonomous Sanctions List, which the Canadian government has kept fairly up-to-date through this volatile period.
- measures prohibiting Canadians or persons in Canada from engaging in various dealings in the Donetsk, Luhansk and Crimea regions, or knowingly causing, facilitating, assisting or intending to cause, facilitate or assist such dealings
- measures prohibiting Canadians or persons in Canada from buying or dealing in most new Russian debt, directly or indirectly
- the withdrawal of Most-Favoured-Nation tariff treatment for goods originating in Russia and Belarus
- restrictions on Russian vessels and aircraft from entering Canadian airspace or landing in Canada
- the de-“SWIFTing” of certain Russian banks

For more information on these measures, please see our previous Updates, published in [mid-February](#), [late February](#), [March](#), [April](#) and [June](#).

Individuals and businesses should be mindful that, in many cases, the restrictions are broad in scope.

Anticipated future developments

As discussed in our prior Updates, the recent measures are an expansion of Canada's existing sanctions imposed upon Russia for its prior conduct in the region. All existing sanctions, including those that predate 2022 (e.g., those levied in response to Russia's actions in Crimea in 2014), are expected to remain in place. Canadians and persons in Canada who are conducting business in or around this region of the world should continue to be vigilant and mindful of existing and amended sanctions.

Sanctions have continued to be implemented at a rapid pace and it is expected that Canada will continue to act in concert with its international allies. [Osler's International Trade Group](#) is watching the global developments in this rapidly changing area of law closely. If you require

any assistance or have any questions regarding this or any matter regarding compliance with Canada's trade and sanctions regulatory regime, please contact a member of our team, who would be happy to assist.

[1] "Prime Minister announces additional sanctions in support of Ukraine", June 27, 2022, Elmau, Germany, online: <https://pm.gc.ca/en/news/news-releases/2022/06/27/prime-minister-announces-additional-sanctions-support-ukraine>.