

# The export ban on luxury goods

## Comparing the EU and US positions.

\* Referenced below (22 categories)

	EU sanctions	US sanctions
<i>Legal basis</i>	Annex XVIII to <b>LI 87 /13</b> Council Regulation (EU) 2022/428 of 15 March 2022 amending Regulation N°833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine	Code of Federal Regulations > Title 15 (commerce and foreign Trade > Subtitle B (Regulations Relating to Commerce and Foreign Trade) > Chapter VII (Bureau of industry and security, department of commerce > Part 746 Embargoes and Other Special Controls
<i>What is forbidden ?</i>	General prohibition to <i>sell, supply, transfer, or export</i> , directly or indirectly, to any <b>natural person or legal entity</b> in <b>Russia</b> or <b>for use</b> <sup>1</sup> in this country of the products referred to	A license issued by BIS <sup>2</sup> is now required to <i>export, re-export, or transfer</i> luxury items covered by the EAR <sup>3</sup> : <ul style="list-style-type: none"> <li>to <b>Russia</b> or <b>Belarus</b>, regardless of the end user or end use involved, or</li> <li>to <b>Russian</b> and <b>Belarusian</b> individuals sanctioned by the Office of Foreign Assets Control (OFAC), regardless of their location.</li> </ul>
<i>What sectors are targeted?</i>	Luxury goods* + over 300€ value per article (just for electrical and electronic devices, vehicles and other means of locomotion, musical instruments)	Luxury items (alcohol, jewellery, luxury goods, textile, leisure, motor industry, art) + this license obligation is made without distinction of value, unless otherwise specified in the above supplement (value over \$1000, wholesale price for items of clothing, accessories, or shoes)
<i>Reference document</i>	<a href="https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022R0428">https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022R0428</a>	<a href="https://www.bis.doc.gov/index.php/documents/regulation-docs/420-part-746-embargoes-and-other-special-controls/file">https://www.bis.doc.gov/index.php/documents/regulation-docs/420-part-746-embargoes-and-other-special-controls/file</a> (Page 16 to page 20)

<sup>1</sup> It's not usual to see « *for use* » writing in an EU Regulation : this should certainly be read as a prohibition of sale in the European territory to a customer who **could** export the goods to Russia

<sup>2</sup> BIS : Bureau of Industry and Security

<sup>3</sup> EAR : Export Administration Regulations

## List luxury goods currently facing an export ban to Russia and Belarus

<i>Categories</i>		<i>European Union</i>	<i>United States</i>
Horses		✓	✗
Caviar and caviar substitutes		✓	✗
Truffles and preparation thereof		✓	✗
Wine, beer, spirits and spirituous beverages		✓	✓
Tobacco		✓ <i>(only cigars and cigarillos)</i>	✓ <i>(only tobacco and tobacco products)</i>
Perfumes, toilet waters and cosmetics, including beauty and make-up products		✓	✓
Fashion items	<i>Leather, saddlery and travel goods, handbags and similar articles</i>	✓	✓
	<i>Clothing</i>	✓ <i>(Coats, or other garments, clothing accessories and shoes (regardless of their material))</i>	✓ <i>Silk articles + Fur skins and artificial furs + Fashion accessories + Designer clothing: leather apparel and clothing accessories</i>
Decorative items	<i>Carpets, rugs and tapestries, hand-made or not</i>	✓	✓
	<i>Cutlery of precious metal or plated or clad with precious metal</i>	✓	✗
	<i>Tableware</i>	✓ <i>(porcelain, china, stone- or earthenware or fine pottery)</i>	✓ <i>(porcelain or bone china)</i>
	<i>Items of lead crystal</i>	✓	✓
	<i>For domestic use of a value exceeding 750€</i>	✓	✗
Electronic items	<i>Flat-screen, plasma, or LCD panel televisions, personal digital assistants, personal digital music players, computer laptops</i>	✗	✓
	<i>Electrical/electronic or optical apparatus for recording and reproducing sound and images of a value exceeding 1 000€</i>	✓	✗
Vehicles		✓ <i>(of a value exceeding 50 000€)</i>	✓ <i>(luxury items – no value mentioned)</i>
Clocks and watches and their parts		✓	✓
Musical instruments		✓ <i>(of a value exceeding 1 500€)</i>	✓ <i>(no value mentioned)</i>
Works of art, collectors' pieces and antiques		✓	✓
Sports equipment		✓ <i>(Articles and equipment for sports, including skiing, golf, diving and water sports)</i>	✓ <i>(recreational sport equipment)</i>
Pearls, precious and semi-precious stones, articles of pearls, jewellery, gold- or silversmith articles		✓	✓
Coins and banknotes, not being legal tender		✓	✗
Articles and equipment for billiard, automatic bowling, casino games and games operated by coins or banknotes		✓	✗

## List of luxury goods currently facing an import ban from Russia and Syria in the EU.

Categories		Sanctions towards Russia	Sanctions towards Syria
Horses		✓	✗
Caviar and caviar substitutes		✓	✓
Truffles and preparation thereof		✓	✓
Wine, beer, spirits and spirituous beverages		✓	✓
Tobacco		✓ (only cigars and cigarillos)	✗
Perfumes, toilet waters and cosmetics, including beauty and make-up products		✓	✗
Fashion items	Leather, saddlery and travel goods, handbags and similar articles	✓	✓
	Clothing	✓ (Coats, or other garments, clothing accessories and shoes (regardless of their material))	✓
Decorative items	Carpets, rugs and tapestries, hand-made or not	✓	✗
	Cutlery of precious metal or plated or clad with precious metal	✓	✗
	Tableware	✓ (porcelain, china, stone- or earthenware or fine pottery)	✓
	Items of lead crystal	✓	✓
	For domestic use of a value exceeding 750€	✓	✗
Electronic items	Flat-screen, plasma, or LCD panel televisions, personal digital assistants, personal digital music players, computer laptops	✗	✗
	Electrical/electronic or optical apparatus for recording and reproducing sound and images of a value exceeding 1 000€	✓	✗
Vehicles		✓ (of a value exceeding 50 000€)	✓
Clocks and watches and their parts		✓	✓
Musical instruments		✓ (of a value exceeding 1 500€)	✗
Works of art, collectors' pieces and antiques		✓	✗
Sports equipment		✓ (Articles and equipment for sports, including skiing, golf, diving and water sports)	✗
Pearls, precious and semi-precious stones, articles of pearls, jewellery, gold- or silversmith articles		✓	✓
Coins and banknotes, not being legal tender		✓	✗
Articles and equipment for billiard, automatic bowling, casino games and games operated by coins or banknotes		✓	✗

### Key references

- <https://home.kpmg/fr/fr/home/services/kpmg-avocats/kpmg-avocats-actualites/le-luxe-et-union-europeenne.html>
- <https://www.bis.doc.gov/index.php/policy-guidance/country-guidance/russia-belarus>
- <https://bis.doc.gov/index.php/the-denied-persons-list>
- <https://www.bis.doc.gov/index.php/documents/regulation-docs/420-part-746-embargoes-and-other-special-controls/file>
- <https://home.treasury.gov/system/files/126/14068.pdf>
- [https://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/EN/foraff/130994.pdf](https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/130994.pdf)