

# UK sanctions Russian steel and petrochemical tycoons funding Putin's war

- Oligarchs Abramov and Frolov, known for owning major stakes in Russian steel manufacturer Evraz, have been sanctioned for their involvement in sectors of major significance to Putin's military machine
- Shaimiev and Shigabutdinov, who are both connected to major petrochemical company AO TATNEFT, have also been sanctioned
- The UK has sanctioned more than 120 oligarchs with a global net worth of more than £140 billion

The UK has today (Wednesday 02 November) sanctioned four oligarchs who have enabled Putin to mobilise Russian industries to support his military effort.

Amongst those sanctioned today are Alexander Abramov and Alexander Frolov, who have been targeted for their involvement in the extractive, transport, and construction sectors.

The pair, known to be business associates of Roman Abramovich, previously owned major stakes in Russian steel manufacturer Evraz plc, are thought to have an estimated global net worth of £4.1 billion and £1.7 billion respectively, and are reported to have UK property investments worth an estimated £100 million.

The Foreign Secretary James Cleverly said:

Putin continues to rely on his cabal of selected elite to maintain control of his industrial complex and fuel his illegal invasion of Ukraine. Today we are sanctioning an additional four oligarchs who rely on Putin for their positions of authority and in turn fund his military machine.

By targeting these individuals, we are ramping up the economic pressure on Putin and will continue to do so until Ukraine prevails.

Also sanctioned today are Airat Shaimiev, who has an estimated global net worth of £902 million, and Albert Shigabutdinov, who has an estimated global net worth of £977 million. Like Abramov and Frolov, they are both subject to travel bans, asset freezes and transport sanctions.

The AO TATNEFT group, for which Shigabutdinov is the General Director and CEO, controls an estimated 96% of chemical and petrochemical processing in the Tatarstan region of Russia, including the production of crude oil. They

are also known as one of the world's largest producers of synthetic rubber and a major producer of plastics.

Shaimiev is the CEO of state owned transport and construction company, OAO Tatavtodor.

Today's designations expand upon the UK's sanctions against oligarchs, targeting those who operate in the areas of strategic significance that prop up Putin's industrial military machine.

The UK has sanctioned more than 1,200 individuals and 120 entities, including more than 120 oligarchs with a net worth of more than £140 billion.

## **Background**

- Alexander Grigoryevich Abramov is a former non-executive director of Evraz PLC. In this role, Abramov had been involved in obtaining a benefit from or supporting the Government of Russia by working as a Director at Evraz PLC, an entity carrying on business in sectors of strategic significance to the Russian Government, namely, the extractive sector, the transport sector, and the construction sector. Abramov's net worth is reported to be an estimated £4.1 billion. Abramov is subject to a travel ban, asset freeze and transport sanctions.
- Alexander Vladimirovich Frolov is a former director and former CEO of Evraz PLC. In this role, Frolov had been involved in obtaining a benefit from or supporting the Government of Russia by working as a Director at Evraz PLC, an entity carrying on business in sectors of strategic significance to the Russian Government, namely, the extractive sector, the transport sector, and the construction sector. Frolov's net worth is reported to be an estimated £1.7 billion. Frolov is subject to a travel ban, asset freeze and transport sanctions.
- Airat Mintimerovich Shaimiev is the CEO and a member of the board of directors of OAO Tatavtodor, a large state-owned transport and construction company which is engaged in the construction and servicing of public highways in Russia. In this role, Shaimiev had been involved in obtaining a benefit from or supporting the Government of Russia by working as the CEO at OAO Tatavtodor, an entity carrying on business in sectors of strategic significance to the Russian Government, namely, the transport sector, and the construction sector. Shaimiev's net worth is reported to be an estimated £902 million. Shaimiev is subject to a travel ban, asset freeze and transport sanctions.
- Albert Kashafovich Shigabutdinov is the General Director and CEO of the AO TAIF Group of companies, which comprises companies operating in the Russian energy, financial services and information, communications and digital technologies sectors. In this role, Shigabutdinov had been involved in obtaining a benefit from or supporting the Government of

Russia by working as the CEO at AO TAIF Group of companies, an entity carrying on business in sectors of strategic significance to the Russian Government, namely, the energy, financial services and information, communications and digital technologies sectors. Shigabutdinov's net worth is reported to be an estimated £977 million. Shigabutdinov is subject to a travel ban, asset freeze and transport sanctions.

### **Asset freeze**

An asset freeze prevents any UK citizen, or any business in the UK, from dealing with any funds or economic resources which are owned, held or controlled by the designated person. UK financial sanctions apply to all persons within the territory and territorial sea of the UK and to all UK persons, wherever they are in the world. It also prevents funds or economic resources being provided to or for the benefit of the designated person.

### **Travel ban**

A travel ban means that the designated person must be refused leave to enter or to remain in the United Kingdom, providing the individual is an excluded person under section 8B of the Immigration Act 1971.

### **Transport sanctions**

Recently introduced powers make it a criminal offence for any Russian aircraft to fly or land in the UK and give the government powers to remove aircraft belonging to designated Russian individuals and entities from the UK aircraft register, even if the sanctioned individual is not on board. Russian ships are also banned from UK ports.