

Effectiveness of sanctions against the Russian Federation

22 January 2024

Thank you for accepting submissions for the inquiry.

I am an Australian with Lithuanian heritage and am writing as an active member of the Sydney Lithuanian community. As a young child, my mother's family was forced to flee Russia's terror during World War II and after several years of living as a displaced person, she arrived in Australia "as far from Russia as possible". I, therefore, understand the current plight of Ukraine and Ukrainians today because history is repeating itself and the World has been extremely slow to act in defence of Ukraine against the Russian invaders.

I love Australia as the Australian Lithuanian community does. We are very happy to assimilate and at the same time proudly celebrate our Lithuanian heritage—culture, including songs and dance, which are very much alive even though post WWII Lithuanians, such as my mother, arrived in Australia almost 79 years ago.

The main points I make in this submission are as follows:

1. That Australia lacks strength and effectiveness in sanctions against Russia because: Australia is still buying oil products originating as Russian crude oil, which generates billions of dollars in revenue for the Kremlin.
2. That Australia has not meaningfully contributed to the debate on the use of frozen Russian state assets.
3. That Australia has fallen short in providing adequate support to Ukraine in its fight to defend its freedom and democratic values by not sending military aid.
4. That Australia must be aware of the real threat that Russia poses as Europe prepares for a Russian invasion.

Oil sanctions

Australia represents a major market for refined petroleum produced from Russian crude oil. This demand encourages third-country refineries to purchase Russian crude at prices exceeding the Oil Price Cap. According to the Centre for Research on Energy and Clean Air (CREA), this oil flows indirectly into Australia generating billions of dollars each year for the Kremlin.

In July 2025, the EU adopted a ban on the import of refined oil products into the EU originating in Russian crude oil. Australia should be looking for alternatives. There have been articles that show that petrol in Australia may increase by only 2 to 4 cents per litre. Surely a reasonable cost to stop funding the Russian war machine.

Australia's response to sanctions and bans has been weak and slow.

The Australian government has refused to commit to an EU/UK-style ban. Instead, Australia's insufficient measures are:

Sanctioning shadow fleet vessels. Australia has sanctioned approximately 150 of an estimated 900 shadow fleet vessels. These sanctions are unlikely to have any significant results. These sanctions preclude sanctioned vessels from entering Australian ports but as those vessels are primarily for carrying Russian crude oil between Russia and third world countries, they do not access Australian ports anyway.

Calling on action by petroleum purchasers in Australia. The Minister for Foreign Affairs, Senator the Hon Penny Wong, has reportedly called on petroleum purchasers, including BP, to cease acquiring refined petroleum products derived from Russian crude oil. However, the Government has not legislated to put this policy position into effect, instead it has been relying on voluntary action by private entities in the absence of any legal obligation. Australia should therefore, in the least legislate to ban purchases of refined oil products originating in Russian crude oil, consistent with EU and UK measures.

Use of frozen Russian assets

The Australian government should also support proposals for the use of frozen Russian state assets for Ukraine's benefit that are currently being considered by other like-minded nations, including the Coalition of the Willing and EU nations.

FURTHER PROPOSALS

Australia should actively help Ukraine to defend freedom and democracy, not just in words but in deeds.

Australia's decommissioned military equipment, that will otherwise be dismantled or buried at a cost to the Australian tax-payer, should be sent to Ukraine as soon as possible. Ukraine is defending the same values we hold dear right here in Australia – freedom and democracy. Ukrainians alone are keeping Europe safe from a regime that unquestionably will not stop at Ukraine's borders. Ukraine needs the tools to get the job done to ensure security.

Australia should recognize the thousands of documented war crimes carried out during Russia's full-scale invasion of Ukraine and declare Russia a terrorist state. Australia should consider closing the Russian embassy and expelling Russian diplomats.

The reality of pending war

The fact that Russia has illegally invaded a sovereign country yet again, is precisely why Lithuania and other Baltic neighbours are currently actively preparing for "Day X" – otherwise known as the day Russia invades a neighbouring sovereign nation.

The Mine Ban Treaty has historically received strong support across Europe, with most European Union member states endorsing the 1997 Ottawa Convention. However, in June 2025, five NATO member states bordering Russia—Finland, Poland, Estonia, Latvia and Lithuania—announced their withdrawal from the Convention, citing heightened security concerns arising from perceived military threats from Russia and the need to strengthen national defence capabilities and deterrence.

Hybrid war has begun – in the Baltic Nation.

Lithuania is building anti-tank defences along its borders to Belarus and Russia.

Lithuania has commenced drone education programmes in schools to prepare children for the future and strengthen military capabilities in the face of threats from Russia and Belarus.

Lithuania has opened drone schools to prepare citizens for potential hybrid operations and as a protection against Russian drones.

Lithuania reinstated conscription in 2015, after Russia first invaded Crimea in Ukraine. Conscription will vastly increase during 2026.

The Lithuanian diaspora world-wide is also preparing for war. Conscription in Lithuania includes citizens living abroad.

