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Effectiveness of sanctions against the Russian Federation

Foreign Affairs, Defence and Trade Committee

Department of the Senate

PO Box 6100

Parliament House Canberra ACT 2600

My Name is [REDACTED]

My submission is from a personal perspective.

Please take this into consideration.

I am Australian born of Lithuanian descent.

My parents and grandparents fled Lithuania in 1940 when Russia invaded and arrived in Australia as displaced people after WW2.

I was raised as a Lithuanian and have been an active member of the Australian and Global Lithuanian Diaspora all my life.

I have travelled to and lived in Lithuania on and off since Lithuania declared independence from the Soviet Union on March 11th, 1990.

I also experienced true Russian aggression when under Gorbachov, the Russian army invaded and occupied Lithuania once again in January 1991.

As an Australian living under Russian occupation, the “never again” that the world promised after WW2 unfolded before my eyes and happened – again...

Sanctions then would have stopped Russia in its tracks, but they did not happen either.

Lithuania borders both Russia’s Kaliningrad enclave and Belarus and the infamous “Suwalki Gap” that connects Lithuania with Europe is considered by many as the “most dangerous place on earth”.

When Russia occupied Crimea, Ukraine in 2014, Lithuanians new that the threat generations have dreaded had resurfaced and when Russia began its full invasion and illegal war on Ukraine, Lithuanians knew they were next in the firing line with the other Baltic States, Latvia and Estonia.

I have been an active supporter of Ukraine and advocate of the Ukrainian Community of Sydney for nearly 4 years of war.

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As a Lithuanian, I participate in all rallies, campaigns and fundraising efforts to be a voice and lifeline for Ukrainian Defenders because if Russia exits Ukraine, it will not enter Lithuania..

As an Australian, I do so because I have a duty of care to do all I can to use my voice to stop Russian propaganda and the threat of aggression infiltrating our shores, escalating its hybrid warfare in Australia.

Australia's sanctions should apply to all spheres of Russian and Belarus influence – art, culture, sport and politics.

This includes theatre, music, film festivals, tennis and the Olympics to name a few.

There has recently been a significant increase of Russian so called "cultural events" in Sydney and other Australian States.

These aim to destabilize the wider community by garnering some sort of empathy and alliance for Russia – this is all part of hybrid warfare.

Placing boycotts and sanctions on the organisers of these local events sends a clear message that Australians oppose a culture whose people support war and it stops Russian propaganda in its tracks.

Sanctions send a clear message to perpetrators of aggression.

Below, I point out measures Lithuania has taken to implement sanctions on Russia.

I also give examples of Russia's attempts to by-pass sanctions.

The effectiveness of sanctions is proof in itself that they work.

Having to date never had any real physical Russian threat, I feel Australia is either too scared or still too naïve to implement stronger sanctions on Russia and I believe the window of opportunity is closing.

The two most important and significant things the Australian Government can do right now is to supply more weapons to Ukrainian Defenders and to stop buying Russian oil through loophole countries.

Lithuania, Latvia, Estonia, Poland, Czechia, and the Netherlands have passed resolutions calling Russia a terrorist state or sponsor of terrorism due to its actions in Ukraine, though a unified EU legal designation for all members is lacking.

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Key Actions & Declarations:

- **European Parliament (November 2022):** Adopted a resolution declaring Russia a "state sponsor of terrorism" and a "state that uses means of terrorism," urging EU nations to follow suit with a proper legal framework.
- **Lithuania (May 2022):** Its parliament declared Russia a terrorist state and sponsor of terrorism.
- **Latvia (August 2022):** Its parliament designated Russia as a state sponsor of terrorism.
- **Estonia (October 2022):** Its parliament called for the designation of Russia as a terrorist state.
- **Poland (December 2022):** The Sejm recognized Russia as a state supporting terrorism and using terrorist measures.
- **Czech Republic & Netherlands:** Other EU nations whose bodies have approved similar resolutions.

Many countries and the EU Parliament see Russia's actions as terrorism, but a formal, unified EU-wide legal designation hasn't fully materialized, with differing views on the best path forward, though many nations have taken strong symbolic and practical steps.

Lithuania strongly supports and implements EU sanctions against Russia but also enforces its own strict national measures, including laws for independent sanctions and active investigations into violations like smuggling dual-use goods, demonstrating a proactive stance to counter Russian aggression and economic circumvention, often pushing the EU for tougher, broader sanctions on energy and finance.

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Key Actions by Lithuania:

- **EU Sanctions Implementation:** Lithuania fully adopts and enforces all European Union sanctions packages targeting Russia and Belarus, including asset freezes, financial restrictions, and export bans on sensitive goods.
- **National Sanctions Law:** Lithuania enacted legislation allowing it to impose its own individual and economic sanctions if EU measures weaken, providing a crucial tool against Russia.
- **Push for Stronger EU Measures:** Alongside Latvia, Estonia, and Poland, Lithuania advocates for tougher EU-wide sanctions, such as banning Russian freight and vessels from EU ports, and broader energy embargoes.
- **Enforcement & Investigations:** Lithuanian authorities actively investigate sanctions evasion, with ongoing cases involving illicit exports of technology (microchips, navigation systems) to Russia disguised with false declarations and destinations.
- **Financial Sector Pressure:** Lithuania pushes for new EU sanctions packages (like a 20th package) to include further restrictions in energy and financial sectors, emphasizing decisive action against Russian aggression.

Context:

- Lithuania views Russia's actions in Ukraine as a direct threat, leading to its leading role in pushing for stringent economic measures.
- The country faces hybrid threats, including from Belarus, leading to calls for stronger EU defense and border security measures.

In essence, Lithuania acts as a frontline state, not only complying with EU sanctions but also taking national steps and urging the EU to adopt more robust measures to economically pressure Russia.

Official Updates on Lithuanian sanctions against Russia and Belarus and examples of scams by Russia attempting to circumnavigate sanctions :

June 2025:

[Lithuanian Parliament approved amendments to the law enabling Lithuania to impose national individual and economic sanctions against Russia and Belarus | Ministry of Foreign Affairs of the Republic of Lithuania](https://www.mfa.lt/en/news/lithuanian-parliament-approved-amendments-to-the-law-enabling-lithuania-to-impose-national-individual-and-economic-sanctions-against-russia-and-belarus)

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November 2025:

[Minister of Finance Kristupas Vaitiekūnas: we seek new sanctions against Russia and Belarus - Ministry of Finance of the Republic of Lithuania](#)

August 2025:

An example of how Lithuanian Customs Authorities, in collaboration with EU partners discovered and dealt with a scam intended to circumvent sanctions against Russia:

The criminal service of the Lithuanian Customs Department reported the detention of 11 people on suspicion of violating the regime of international sanctions against Russia.

The agency said in a statement that it had uncovered "a particularly audacious scheme to circumvent international sanctions against Russia".

The operation was carried out in co-operation with law enforcement agencies in Portugal and Bulgaria and in co-ordination with Eurojust and Europol.

According to the investigation, the company developed a complex shadow scheme to supply Russia with water treatment equipment intended for use by Russian oil industry enterprises.

The formal customer and recipient of the Kaunas company's goods was a company from Portugal. However, the goods were actually transported to Bulgaria, from where they were to be delivered to Turkey and then to Russia.

"The water purification equipment was designed, assembled and manufactured from components produced in the EU and China. This equipment was intended for specific industrial facilities in Russia. The Kaunas company itself, which has close and permanent relations with economic entities operating in Russia, actively participated in projects realised in Russia. One of such projects is related to a Russian group of companies, which is among the world's fastest growing petrochemical companies," the official statement said.

Eleven employees of the Kaunas-based firm were detained, including its managers, as well as drivers who are Moldovan and Bulgarian citizens. During the search, several tonnes of equipment worth about €2 million were seized. Two trucks with the above-

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mentioned equipment were also detained: one in Kaunas, the other on the way to the Lithuanian-Polish border. A third consignment was detained in Bulgaria.

After interrogation, the suspects were released, two of them were issued preventive measures - a written undertaking not to leave the country.

In co-operation with Portuguese and Bulgarian police officers, searches were also carried out in those countries. In Portugal - at the fictitious recipient of the filtration equipment, and in Bulgaria - at the cargo terminal - the warehouse where the Kaunas company's products are stored.

The pre-trial investigation into the violation of international sanctions, which is being conducted by the Kaunas Regional Prosecutor's Office, is ongoing.

October 2025:

Lithuania may sanction retail chain over links with sanctioned Russians:

Lithuania may soon add Mere, a discount retail chain with ties to Russia, to its list of sanctioned companies despite a recent change in ownership, Economy Minister Edvinas Grikšas said Thursday.

“The recent changes at Mere – these shifts in ownership – should not fool us,” Grikšas told the parliament. “Authorities are working on this, and we are cooperating with the Foreign Ministry to identify the new shareholders.”

He added that the government is finalizing the necessary legal procedures to ensure the company is sanctioned “in the near future”. Grikšas was responding to a question from former economy minister Lukas Savickas about the government’s plans regarding the chain’s operations in Lithuania.

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The business daily Verslo Žinios reported this week that Valiente, the company operating 19 Mere stores in Lithuania, has undergone ownership changes. Several

Russian citizens who previously held shares transferred their stakes to Vigalight, a company based in Barcelona, Spain, that runs a similar business there.

According to the Lithuanian Centre of Registers, Anna and Andrey Shnayder, Andrey Veikulainen, Valery Lakovlev, and Rustam Kilizhekov ceased to be Valiente's shareholders on September 19, when the entire shareholding was taken over by Vigalight.

Vigalight, established in 2024 in Barcelona, has also seen management changes. According to Spain's official corporate registry bulletin, Boletín Oficial del Registro Mercantil, Ilya Eigin became head of the company in January 2025, replacing Igor Yagupov, while Elena Avtayeva succeeded Luliya Astanina as company representative.

Despite the reported ownership shift, registry data show that Anna Shnayder, a Russian citizen, remains Valiente's ultimate beneficial owner, controlling a 66% stake.

Mere, known for its low-cost model similar to Aldi or Lidl, has operated in Lithuania since 2020. The chain has faced scrutiny in several European countries over its alleged ties to Russia's Torgservis group, which is reportedly linked to individuals under Western sanctions.

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Please refer to below link to view all of Lithuania's/EU sanctions on Russia and Belarus:

[EU Sanctions Map](#)

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Thank You to the Committee Secretariat for giving us the opportunity to be heard.

In 1971, Gough Whitlam formally recognised de jure the illegal incorporation of the Baltic States – Lithuania, Latvia and Estonia – into the Soviet Union.

My message to the Australian Government – please do not betray Lithuania again.

The sanctions implemented against Russia now not only mean Lithuania is protected but so is Australia and frozen Russian assets can be used to compensate Ukrainians immediately.

Yours Sincerely,



Sydney Australia.