



22 January 2026

Submission to the *Foreign Affairs, Defence and Trade References Committee on Effectiveness of sanctions against the Russian Federation*

Thank you for the opportunity to contribute to this inquiry.

This submission is on behalf of the Federation of the Australian Lithuanian Organisations Ltd (FALO). FALO is the umbrella organisation representing all Lithuanians in Australia, our communities in Adelaide, Brisbane, Canberra, Geelong, Gold Coast, Melbourne, Perth, Sydney and Tasmania and associated organisations.

Our communities thank the Australian government for supporting Ukraine in its war against Russia. We recognise that Australia itself must be in a strong position in terms of having its own strategic defence strategies in place. We are glad that the ANZUS strategic defence treaty is in place with USA and that as the AUKUS program develops our defence partnership and ties will strengthen with USA.

We note that since the Restitution of Independence of Lithuania on 11th March 1990 Lithuania became a member of NATO and European Union in 2004. Even though Lithuania is a part of the European Union it has robust strategic defence ties with USA. It is an active member of the Coalition of the Willing that Australia is a member of.

In the last four years the small country of Lithuania is one of the largest contributors of aid to Ukraine. Its support of Ukraine was 4% of its GDP compared to Australia's contribution of under 0.05%.

The main points of this submission are that there is a lack of vigour and full commitment to have in place all-encompassing and effective sanctions against the Russian Federation and its contribution is minimal compared to those of other countries.

Sanctions have been in place since early 2022 but Australia seems to be doing so reluctantly, minimally with responses that are slow and superficial compared to the Coalition of the Willing. Since the escalation of the Ukrainian war by Russia, Australia has pursued various sanctions that are perceived as curtailing importation of Russian oil but they have not only not gone far enough, they have not addressed the ways in which Russia continuously attempts to overcome these sanctions. Whilst a media release on 18th September 2025 refers to "lowering the Russian Oil Price Cap and imposing targeted sanctions on a further 95 Russian 'shadow fleet' vessels" thereby

taking the number of sanctioned shadow fleet to 150, it does not address the issue of Russian oil being imported via other countries such as India and China. It also does not address why the rest of the shadow fleet is not sanctioned or not intended to be sanctioned. Whilst it may be selective sanctioning of those that have more impact on Australia what will guarantee that the others may change course and have an impact in the future.

The shadow fleet continues to circumvent international sanctions, enabling ongoing funding of the war against Ukraine. For sanctions to be effective, all imports of crude oil, refined products, and other petroleum derivatives from India, China, and any other countries that receive and reexport Russian oil must cease. By failing to implement these sanctions, Australia is effectively contributing to Russia's multi billion-dollar revenue stream that continues to fuel its war machine.

It is not clear how effective other sanctions have been as there is little public data available, to assess the effectiveness of these sanctions. We can still find Russian products in shops, we still participate in sporting events that include representatives of the Russian Federation, we still have artists, performers etc. coming to perform here. If strong sanctions are to be effective, they must apply across all areas of engagement - not only economic, but also sporting and cultural. These sectors are not insulated from political influence or activism, and excluding them weakens the overall impact of the sanctions.

Australian sanctions are nowhere near as strong as those of other countries. There is no trackable data for people in the community to find out how many and what type of sanctions have been or are being enforced. We as a country are noticeably absent and failing to contribute to or to even voice an opinion in the debates regarding the use of frozen Russian assets. Moreover, there have not been reliable estimates done to evaluate Russian assets in Australia. We in Australia also have no idea how much has been really frozen here.

We are not committing at the same level as the Coalition of the Willing especially Europe and UK. Through the media we hear of loopholes e.g. several months ago *The Guardian* disclosed that Russian oil was imported to Australia through ports part-owned by Macquarie Bank whose shareholders include State Street Global Advisors, Commonwealth Superannuation Corp, QBE Insurance. This must be stopped. Australia needs to be firm and needs to legislate for all companies in Australia that purchase oil to cease providing access to or sourcing it from any country that receives its oil from Russia. Without legislation it is not enforceable and we will continue to import Russian oil.

In terms of *the extent of Russian retaliation*, we are seeing the start of hybrid war in northern Europe. The effect of the global sanctions (that Australia is part of) seems minimal as there are constant infringements by Russia on other countries. Entering air space of other countries, breaking sea cables are forms of hybrid war in action. Some of our Australian citizens visiting Lithuania have experienced closure of the Čiurlionis

international airport in Vilnius in response to unauthorised air balloons being flown in from Belarus.

Countries like Lithuania are already taking steps to prepare for a possible invasion e.g.:

- its defence budget is 5.38% of GDP compared to Australia's 2%.
- it recently exited the Ottawa treaty, otherwise known as the Anti-Personnel Mine Ban Convention in order, to build an impermeable border by placing tank blockades and laying mines at its borders with Belarus and Russia.
- mandatory military conscription for males aged 18-23 requiring a 9-month service, was reinstated in 2015 due to regional security concerns.

The focus is not only within the country, but a big effort is put into galvanising the diaspora to be ready if day X eventuates. The Lithuanian Šaulių sąjunga - a paramilitary organisation, that in peace time prepares civilians for both armed and civil resistance, has come back to life very strongly after the invasion of Ukraine and is being established in many countries where there is Lithuanian diaspora. It is not coming to Australia due to our laws but it demonstrates the heightened states of readiness that is emerging in European countries that are in close proximity to Russia. Current government project priorities are focusing on strengthening global defence (inclusion, resilience, mobilisation and war preparedness of youth and diaspora).

Why is this happening?

Because the current geopolitical situation is volatile, unpredictable and lacks any stability. The global sanctions are not strong enough to impact Russia. Sanctions need strengthening and firm unacquittable commitment from every country that is part of the Coalition of the Willing is needed. Australia should match the actions of our European and UK counterparts. Also, more attention needs to be given at government and non-government levels to disinformation that floods all forms of media in relation to not only this war but all hotpots around the world. Australia must remain vigilant in relation to Russian intelligence activities targeting individuals within our Australian borders.

Australians maybe thousands of kilometers away from the raging Ukrainian war but we can and should be doing much more that would stop access to resources by the aggressor by ensuring that their access to funds is severely dented. We should be committing the frozen Russian assets in Australia for the rebuilding of Ukraine. So far there is silence on this. We should offer all decommissioned defence equipment to Ukraine as a sign of goodwill.

In closing we urge the Senate Inquiry to prioritise strong decisive and unwavering action in implementing sanctions. We the Lithuanian communities in Australia stand in solidarity with the Ukrainian people and call for stronger all-encompassing action to bring about an end to Russian aggression. If Ukraine falls Lithuania, along with other neighbouring countries, will be next.



