

The circumvention cases

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The sanctions gave rise to circumvention cases involving Geneva actors. The most significant concerns a trader established in Geneva, described by the press as the first European national sanctioned by the European Union on suspicion of transactions linked to Russian oil. According to the *Tribune de Genève*, Brussels accused his company, Paramount Energy & Commodities SA, whose registered office was in the rue de Villereuse, of having circumvented the price cap imposed by the G7 through a Dubai subsidiary to which it had transferred its Russian activities in June 2022, just before the corresponding Swiss sanctions entered into force. These sanctions, which included a freeze on the assets of the trader and of several entities, came on top of those imposed by the United Kingdom. The trader, for his part, contested the accusations.¹ swissinfo notes that the European Union had put Switzerland under pressure when the latter had declined to sanction this company.²

This case illustrates several mechanisms. The transfer of activities to a subsidiary established in a jurisdiction that does not apply the sanctions makes it possible to continue operations that are prohibited in the jurisdiction of origin. The group structure, with entities in Geneva, Dubai and Hong Kong, complicates the attribution of responsibility. The time lag between European and Swiss sanctions creates grey areas in which actors can operate lawfully under Swiss law while being sanctioned by the European Union.

Other cases have concerned deliveries of dual-use goods, payments on behalf of sanctioned persons and services rendered to targeted entities. The State Secretariat for Economic Affairs conducts investigations, which may lead to criminal proceedings. It also published interpretative guidance on the sanctions on 26 February 2026 to clarify the obligations of the actors concerned.³

Caution. The transfer of sanctioned activities to a subsidiary established in a jurisdiction that does not apply the sanctions may be lawful under the law of that jurisdiction, but it exposes the persons and entities concerned to sanctions by the European Union, the United Kingdom or the United States and may, depending on the circumstances, constitute punishable circumvention in Switzerland.

1 Notes

1. “Premier trader genevois sanctionné pour ses liens avec le pétrole russe”, Tribune de Genève and 24 heures, 19 December 2024. ↩
2. “Émirats arabes unis vs Suisse : rivalité ou synergies dans le commerce des matières premières ?”, swissinfo.ch, 4 June 2025. ↩
3. State Secretariat for Economic Affairs, “FAQ – Sanctions contre la Russie”, cited above. ↩

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