

SECO and the machinery of sanctions

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The implementation of the sanctions placed a heavy burden on the State Secretariat for Economic Affairs. Before 2022, its sanctions unit handled a limited number of regimes and cases, until the Russian sanctions multiplied its workload. It had to process reports from banks, companies and individuals on frozen assets, answer enquiries about the interpretation of the ordinance, decide on hundreds of applications for exemptions and investigate hundreds of reported violations.¹ The federal government increased its resources, but critics argued that they remained insufficient for the scale of the task. Since the cantons have no role in the enforcement of sanctions, the canton of Zug depends on the federal authorities for the treatment of the Russian-linked companies within its territory. The reporting obligation is a central instrument. Persons and institutions that hold or manage assets of listed persons must report them to SECO without delay. Persons who know of such assets must also report them, failure to report being an offence.² The obligation applies to banks, fiduciaries, lawyers acting as asset managers, real estate agents and anyone else who has control over assets of listed persons. For the professional service providers of Zug, the reporting obligation has become a routine part of their work with clients from the East.

1 Notes

1. 20 Minuten, 23 April 2024, 20min.ch: 325 exemption requests processed, most approved; swissinfo.ch, 17 July 2024: around 300 reported cases of suspected violations of the Ukraine and Belarus ordinances since March 2022, 56 administrative criminal proceedings; SRF, 2025, srf.ch: 615 reports of suspected violations since 2022; all citing SECO. ↩

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2. Ordinance of 4 March 2022 on Measures in connection with the Situation in Ukraine, SR 946.231.176.72, original version AS 2022 151, fedlex.admin.ch, Art. 16(1): persons and institutions that hold or manage funds or know of economic resources which must be assumed to fall under the freeze of Art. 15(1) must report them to SECO without delay; Art. 32 makes violations of the reporting obligation punishable.



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