

The turning point of 2014

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

The Russian annexation of Crimea in March 2014 and the war in the Donbas marked the first break in the relations between the West and Russia. The European Union and the United States imposed sanctions on Russian individuals, banks and energy companies. The sanctions restricted the access of Russian state banks and energy companies to Western capital markets and prohibited the export of technologies for deep-water, Arctic and shale oil exploration.¹ Switzerland did not adopt these sanctions. It limited itself to preventing their circumvention through Switzerland, for example by prohibiting Swiss banks from taking over business that European banks could no longer do.

For the traders and Russian groups in Zug, the Swiss position in 2014 meant that business could largely continue, since the American sanctions affected them only where transactions involved dollars or American persons. Some Russian groups moved activities from London and other European cities to Switzerland to be safer from future sanctions. The expectation that Switzerland would remain outside the sanctions regime shaped investment and location decisions for eight years, so that its reversal in 2022 came as a shock to those who had relied on it.

1 Notes

1. Council Regulation (EU) No 833/2014 of 31 July 2014, eur-lex.europa.eu: Art. 3 (prior authorisation for exports of technologies for deep-water, Arctic and shale oil projects in Russia) and Art. 5 (prohibition of dealing in transferable securities and money-market instruments with a maturity above 90 days issued after 1 August 2014 by Sberbank, VTB, Gazprombank, VEB and Rosselkhozbank). ↩

For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.

Online version: [helveticaregister.com/zug-the-turning-point-of-2014](https://www.helveticaregister.com/zug-the-turning-point-of-2014)