

Russian Oligarchs Moving Money Out of London Over Sanctions Threat

By [The Moscow Times](#)

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London's primary financial district, where companies are said to be reassessing deals with Russian companies.

The threat of the West slapping tougher sanctions on Russia after the devastating Malaysia Airlines crash in eastern Ukraine has given London-based Russian oligarchs and firms the jitters, with both groups taking steps to avoid being caught out by further punitive measures, British media reports said.

EU foreign ministers on Tuesday agreed to widen the list of individuals and entities targeted by asset freezes and visa bans, and also raised the possibility of restricting Russian access to European capital markets, defense and energy technologies.

British Prime Minister David Cameron on Monday said he wanted broader sanctions to target "the cronies and oligarchs" around President Vladimir Putin, while his spokesman said Britain was ready to consider sanctions that would damage its own interests, including in the

financial sector.

The threats seem to be having an effect, as Russian oligarchs have started moving their money out of London to keep it safe, Cameron's spokesman said, The Daily Telegraph reported Tuesday.

"The measures that have been taken with regard to individuals and entities has got a correlation with some of the financial flows we have seen across Europe, including here in London. That is certainly the case," the spokesman was quoted as saying.

They may be unduly worried, however, as the spokesman said he had seen little evidence that London-based Russian tycoons were involved in supporting the Ukraine rebels — the condition for being sanctioned, Reuters reported Tuesday.

Meanwhile, London City financial institutions are in damage control mode, assessing existing deals with Russia and reviewing client lists to avoid being hit by sanctions, with particular attention to those imposed last week by the U.S.

"The long arm of the U.S. sanctions regime reaches well outside U.S. borders, so financial institutions in the City and elsewhere cannot afford to be cavalier," Chris Tattersall, a partner at accountancy firm Grant Thornton, was quoted as saying Tuesday by The Financial Times.

"Financial institutions will be reviewing their proscribed lists and making sure they are fully up to date and applied properly throughout their systems. If they are providing correspondent banking to a bank in Russia that could provide services to a [sanction-hit] individual, they should be concerned," Tattersall said.

See also:

[France Tells Britain to Look at Russian Oligarchs in Own Backyard Before Damning Mistral](https://www.themoscowtimes.com/2014/07/23/russian-oligarchs-moving-money-out-of-london-over-sanctions-threat-a37610)

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