

Ukraine Sanctions Russian State-Owned Banks

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Members and supporters of the National corp political party protest outside a branch of Sberbank, which is the local subsidiary of Russia's largest lender, in Kiev, Ukraine. **Valentyn Ogirenko / Reuters**

Ukrainian President Petro Poroshenko has placed sanctions on five Russian state-owned banks operating in Ukraine.

Sberbank, VTB, BM Bank, Prominvestbank and VS Bank are blocked from transferring funds to their subsidiary or parent companies outside of Ukraine for the next year. ☒

The sanctions are a reaction to Sberbank's decision to begin accepting documents issued from Ukraine's breakaway republics in Donetsk and Luhansk.

Ukraine's Foreign Ministry said that it had already informed U.S and EU officials of the measures.

Related article: [Sberbank Ukraine Limits Cash Withdrawals After Nationalists Protest in Kiev](#)

The Kremlin has already pledged to respond to any sanctions put in place against Russian businesses in Ukraine.

Sberbank, Russia's largest state-owned bank, announced on Wednesday that it would limit cash withdrawals for customers in Ukraine after their central headquarters in Kiev were blockaded by anti-Kremlin demonstrators.

Members of Ukrainian nationalist group the Azov battalion used concrete blocks to brick up the entrance to Sberbank's headquarters on Monday, forcing the branch to suspend operations.

Russian Foreign Minister Sergei Lavrov has already condemned the protests, comparing the demonstrators to "lynch mobs."

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