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## Recent Developments, New Tools, and Contemporary Challenges in U.S. Sanctions

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be essential as we approach nearly two years of conflict in Ukraine and as we look forward to others in the future.

MICHAEL SCHARF: Alright. Well, that's a great way to kick this off both Rachel and Mike. While the audience is thinking about questions, I'm going to ask Rachel and Michael a couple [questions], just to start us off. This one is for both of you. In Steve's keynote, you ended it with some concern about interrupting humanitarian aid, and I know that there's a Security Council Resolution from two years ago that says, "sanctions should be interpreted in a way not to disrupt the flow of humanitarian aid." There's an Executive Order that passed, about the same time, that says the same thing.

Could the two of you comment on how that plays with respect to Steve's concern?

MICHAEL CASS-ANTONY: Sure, I'm happy to start from the example of a Russia context, and thanks to the UN resolution and the corresponding Executive Order that came out. To Steve's earlier point, the U.S. and international partners have made it a priority to ensure that humanitarian aid travels unencumbered, despite the numerous sanctions and export control measures that are put into effect. I think you saw that with the issuance of OFAC general license 6C that specifically enables the transport of food and agricultural and medicine products. We've continuously tried to clarify our position as well as working with foreign partners.

Over the summer, the UK and the U.S. published a joint FAQ focused on what our humanitarian exemptions in the food and agricultural sector are, so that private sector participants could understand where there were allowable transactions and where things could happen. We put a number of effects into place [and] I would say that it's an ongoing effort. We're continuously trying to ensure that this trade remains unencumbered and continuously looking and working with OFAC to clarify guidance and ensure that private sector enterprises have what they need, in order to kind of continue to facilitate this activity.

MICHAEL SCHARF: Rachel, did you want to add anything?

RACHEL FREDMAN LYNGAAS: I think on the flip side, that there's a lot that can be better understood by understanding the extent to which trade is still flowing. Russia did actually have a record production of grain this year. A lot of that trade is actually flowing through overland routes, through Ukraine. Whereas the Black Sea is much cheaper to ship a lot of these goods, that trade has been more encumbered by direct actions of Russia. I think that our exemptions and licenses for this kind of trade to flow are very important and have been in existence since the start of the war. We've been very clear and providing guidance for industry and the private sector on its existence, but there's still a big information gap there. A lot of it might be perception as well. Unfortunately, we are dealing with a certain degree of [disinformation and] miscommunication from Russia, portraying declines in trade as sanctions when we can keep pointing to the exemptions that we have in place and make sure that industry understands it. I think [that] on the flip side, we need to get out better information to the extent to which this trade is still flowing and to the extent which, other actors have stepped in to provide grain and fertilizers, if some trade remains encumbered through these cheaper routes to the Black Sea. I see that as an area that kind of my function and

that economists can step in and kind of provide more information, more of the data underpinning some of the narrative. In this particular case, that there's a little bit of an information gap that can be bolstered by better data on what trade is actually flowing, the extent to which it's a big leap to kind of claim that when we have these broad exemptions, that sanctions are kind of undermining this trade. Getting the data out there is very important.

MICHAEL SCHARF: My next question is for you, Rachel. You mentioned the sanctions on Venezuela. For the last decade, the United States has mostly been going at it alone. It hasn't been a broad international effort. My understanding is the purpose of the sanctions are twofold: one—to facilitate regime change and two—to facilitate change in the regime's policies. Neither of those things have really happened for a variety of reasons, including some that you mentioned. The sanctions haven't been particularly effective at achieving those and other purposes. You just mentioned that we're starting to ease up on those sanctions. Can you tell us more about the lessons learned from Venezuela? We all have been talking about Iran and Russia, but Venezuela is sort of off the radar. It might be the laboratory with the most interesting insights.

RACHEL FREDMAN LYNKAAS: I'm very glad that you asked me about Venezuela. In a lot of these cases, where there's been very comprehensive sanctions passed and time has gone on, we have kind of an opportunity there. A lot of researchers in the academic community are understanding this as well. There's actually data to be able to understand the efficacy of some of these measures. With respect to the Venezuela program, you mentioned the goals of those sanctions. All along our policymakers have been clear that these measures are intended to encourage the authorities to undertake free and fair elections. I want to emphasize that very much remains the case with the current easing of those sanctions under these six-month general licenses that have been issued. At the same time, there is a willingness under the current administration to take a look at this again and try to see if we can move the needle.

I think that it's an important case that, as you mentioned, a lot of these sanctions were implemented by the United States. In terms of understanding the extent to which there were uncertain, unintended consequences, specifically the gold sector—illicit trading of gold—and whether sanctions contributed to that. I think that is something that we're still examining. There's certainly a question of policies and some of those policies predicated sanctions. In these cases, it's very important to be able to look back and understand what occurred and kind of assess the efficacy over time, in order to contribute to better and more effective sanctions design in the future.

MICHAEL SCHARF: Let me switch back to Michael. With respect to the sanctions on Russia, you have mentioned there are many, many countries—over half the GDP of the world—are with us on sanctions, but it's not all of the world. Unlike the sanctions originally imposed on Iran for their nuclear capabilities, there's no Security Council Resolution, and posing these, Russia would veto that. For example, India, which has been acting as “a war profiteer,” importing more and more oil from Russia and re-importing it on the world market, generates a lot

of money and undermines our efforts to try to keep Russia from exporting its oil. What's the solution to that?

MICHAEL CASS-ANTONY: If I may, just to speak about the price cap for a second. The price cap has two specific twin goals: The first: limit[ing] energy revenue specifically to Russia—and the other and key part of this—maintain[ing] maintain stability in the key commodities of oil and refined products on the global market. In support of that second objective, the United States actually does not have immense issues with India continuing to import Russian oil at below the oil price cap.

We want to continue promoting to make sure oil continues to travel freely and the market stability remains there. What we want to do, not just with the price cap but with all of our efforts, is work with countries like India and others around the world—who may not have explicitly joined our sanctions coalition or imposed measures themselves—to make sure they understand their responsibilities under our authorities and the reach of some of our tools to confront evasion as it happens in their jurisdiction. That's a continued effort. It's important to remember that the price cap was very intentionally designed to do this. It was very intentionally designed to make sure that this was happening. We recognize that countries are getting cheaper oil, but every barrel of cheaper oil they're getting that Russia has to sell at a discount is less money that Russia has to prosecute its war.

In actuality, it is what we want. I know that it seems counterintuitive, and you read articles in *The New York Times* that talk about all the profiting that India is doing off of this, but it is within our interest to do so. As Rachel said, we continue to work within the price cap coalition with Canada, the G7, and Australia on figuring out how to tighten our rules and regulations to ensure better compliance. With the designations we rolled out about a month ago, we're continuing that effort, and it's an ongoing process to make sure that the price cap is being enforced as possible. It's an ongoing effort and something we're continuing to do.

MICHAEL SCHARF: I think that's a nuance that most people didn't fully understand, so I'm glad you were able to clarify that. One last question—with respect to Rick Newcomb mentioning how the use of secondary sanctions and executive authority has really expanded and one of the ways that we're able to try to impose sanctions when there's not a Security Council resolution and get as much of the world behind them.

Let me ask both of you—the Security Council veto. We can't get a Security Council resolution against Russia because they have a veto. In the context of Ukraine the General Assembly, with urging from the U.S., has been using the Uniting for Peace mechanism. The Uniting for Peace mechanism was created in 1950 as a way to circumvent the veto first used when Russia was vetoing the UN forces in Korea during the Korean War. It hadn't been used for thirty years, and in the last year, it's been used five times against Russia. The first time was to condemn the act of aggression. The second time was to say the plebiscites (i.e., the “unlawful” votes) in East Donbas in the eastern part of Ukraine that Russia tried to have. The third was to expel Russia from the [U.N.] Human Rights Council. The fourth created a registry so that people who lost land or lives will eventually be able to get at these frozen assets; that's a whole other area of

sanctions that's interesting. But why not go for a sixth resolution to impose sanctions? Even if these are not enforceable, because it's a General Assembly rather than the Security Council, it would at least give political credibility to the countries that haven't joined the sanctions. It would help get them off the fence, and it might help them with respect to legal arguments about violating trade agreements and so forth. The question is: has anybody been talking about a sanctions resolution using this mechanism?

RACHEL FREDMAN LYNGAAS: I would defer to the State Department and the dynamics within the UN.

MICHAEL CASS-ANTONY: Specifically, my office doesn't deal with UN sanctions, principally, so I can't speak specifically about those efforts. I know that there are conversations ongoing about ways in which we can utilize the UN to create legitimacy for the response to Russia's aggression and to "call out" and condemn the atrocious acts that Russia has committed in Ukraine. I can't speak specifically on the Uniting for Peace resolution or anything with that. In terms of building credibility, we understand the U.S. government has seen reactions from various countries since the war began, but I think again, it's important to remember what is really at stake and where it started in what's going on in Ukraine. I tried to turn it back to that every time we have a discussion about some of these other things. Rachel talked a little bit about food prices as well, which is something that often comes up as our sanctions being responsible for an increase in that. As Rachel brought up, Russia has clearly exacerbated markets with its invasion, both specifically by inflating the cost of its goods and making it harder for those goods to travel, but also, for example, [by] pulling out of the Black Sea Grain Initiative—an initiative which allowed grain to travel really freely and easily through the Black Sea.

RACHEL FREDMAN LYNGAAS: Or targeting infrastructure that is used for food shipments. I think that we need to emphasize and kind of discuss this and bring those data points out into understanding of what's going on, because I think that we are kind of running up against, literally a propaganda machine from Russia that's already trying to tie sanctions directly to food prices, when, in my assessment, the evidence linking those two things is much weaker.

MICHAEL SCHARF: Well, we have twenty-five minutes left. Let's have questions from the audience, starting with Jim Blanchard.

JIM BLANCHARD: To what extent do the Russian people feel the effect of sanctions?

RACHEL FREDMAN LYNGAAS: One thing that I would make very clear is our goals, as [Michael] previously alluded to, particularly around Russia's invasion of Ukraine and what we're utilizing the sanctions for. The number one reason [for sanctions] is to reduce the regime's access to revenues used to finance the war. The biggest revenue generator for Russia, 60% or so, is through the oil and gas sector. That's where the price cap comes in but also to reduce their access to material used to be able to implement this war, that's specifically material utilized for its military-industrial complex. When you think about those two things: fiscal revenues used to finance the war and material support for the army, those aren't designed necessarily to make the everyday Russian's lives more

difficult. I want to be very clear upfront, over time, as Russia has lost some of these revenues due in part to the efficacy of the price cap policy, the expenditure needs for the war have actually tripled over time. There is a bit of a crunch there because they are now having to rely more on non-monetary sources of finance, and they have been running effectively a fiscal stimulus over time. We see a little bit of those impacts in terms of rising inflation in Russia. That case would not have existed had they not been at war and had some restrictions in their access to oil and gas revenue. That's one area in which it's become harder from a domestic economy perspective.

Also there's the question of a lot of multinational corporations and Western service providers have pulled out of Russia earlier on. Those events do impact people day to day. It's bearing out more and more over time. Particularly from a macro perspective, the more costly the war becomes, and it is costly in part due to sanctions, due to limiting the Russian government's ability to get these material support for the war, and kind of less oil and gas revenue. By making it more costly, there's a need to make tradeoffs, find alternative sources of revenue, and pose lots of surprise taxes on different companies operating in Russia. Domestically, there has been a contribution to inflation.

MICHAEL SCHARF: Can I ask you, Rachel, the flip side of that: what has been the cost to the U.S. economy by our sanctions on Russia?

RACHEL FREDMAN LYNKAAS: The cost to the U.S. economy [due to] our sanctions in Russia has been fairly limited. Particularly in terms of how the price cap policy was designed, there was an understanding that we didn't want to design sanctions that would create havoc in oil and gas prices. Michael mentioned that this policy was designed to keep Russian oil and gas, not prevent it from being sold on international markets, but to essentially force them to sell it at a discount to others. The U.S. is not and has never been a large consumer of Russian oil and gas. Fortunately for us, changes in the oil and gas market didn't impact our consumption. I think we've been able to mitigate any disruptions in oil and gas prices that are strictly caused by any measures that we were taking. There's a question of if there hadn't been a war in the first place, if Russia hadn't sort of launched this invasion of Ukraine, I mean certainly the global economy would be in a much better place. We can't pin that on sanctions because I think that we've been very thoughtful in how we've designed our sanctions, such that it wouldn't create havoc in oil and gas markets, and it's not going to make it more difficult for the average American citizen.

MICHAEL CASS-ANTONY: If I may just give one brief remark to the initial question; I think Rachel's points were really important. It's important to remember that our campaign against Russia has been something that we expect to see play out over time. Since the beginning of the imposition of our measures, the Russian government has taken specific steps to both prop up its currency and prop up its economy. As Rachel noted, with extra taxes on oil and gas revenues and a bunch of other mechanisms the Russian government is putting in place, it's starting to feel the effects. The Russian government is going to start having to make tough decisions regarding whether or not to fund its war and do some of these other things, as well as whether or not to provide domestic support at home and a number



of the social services and basic needs of an economy that it's been doing for a long time.

These choices were intentional. We want the government of Russia to have to think twice about continuing to send artillery into Ukraine and continuing bombing Ukraine. That's been part of the effort the entire time, but I just wanted to put a finer point on that.

MICHAEL SCHARF: More questions from the audience? Oh, there's lots of hands up with you. There's a microphone coming so that our listeners out on the internet can hear you.

ROBERTA NASHUA: Thank you. My name is Roberta Nashua, I am a Fellow at the Woodrow Wilson Center, and I am from Mexico. I would like to bring up the question of long-term sanctions through the example of Cuba. Economic sanctions [on] Cuba have not worked. The Cuban Government is alive and well, and it has justified its existence and legitimacy because of sanctions. There's the "worst of both worlds." I was a Mexican ambassador to Cuba. At that time, U.S. trade with Cuba was larger than Cuban trade with Mexico or Canada. Both countries have diplomatic relations on the basis of humanitarian aid which expands and helps the Cuban economy go on.

My question goes to the evaluation of long-term economic sanctions. In the case of Cuba, which has not been mentioned in this seminar, which is something to reckon with, especially with the increasing support Cuba gets every year and the UN resolutions calling for the end of sanctions with more and more countries participating. If [long-term economic sanctions] will not have the same effect on Russia, throwing Russia into the arms of China—there is hearsay that many economic transactions of Russia are being done now through China. What information do you have about that?

RACHEL FREDMAN LYNKAAS: With respect to sanctions on Cuba, it's much broader than just OFAC authorities. There's also legislation and such. I can't comment on the specifics of that implementation, but I will say that there is a strong willingness under this administration to examine cases, particularly cases in which there have been comprehensive sanctions and identify if sanctions can be removed over time. I can say more broadly, not just focused specifically on the Cuba case. You mentioned looking at that and understanding its bearing on Russia. The use of this kind of comprehensive trade embargoes and sanctions is less prevalent in Treasury's application of sanctions now, which has shifted over time to more of list-based authorities. It is in part to be more focused and targeted in our sanctions and tying it more explicitly to the proposed goals of those sanctions. That is meant to say, the use of comprehensive trade embargo is less common, and it's not a tool that we take lightly in imposing. Noting what Michael [Cass-Antony] and I have mentioned, that's very much not the approach taken to the sanctions on Russia which have more focused goals. Mentioned at the outset, the goals were: reducing revenues for the authorities and limiting access to materials used to prosecute that war in Ukraine.

MICHAEL SCHARF: Rachel, can I ask a follow up question? You mentioned that the sanctions on Cuba are imposed by Congress, and there's a lot of politics

involved (presidential politics). Can the Executive branch make waivers on the congressionally imposed sanctions on Cuba? Is there that ability?

RACHEL FREDMAN LYNKAAS: There is that ability, but I can't speak to internal discussions with respect to Cuba.

MICHAEL CASS-ANTONY: I can't speak to Cuba either, but it is a thorny battle continuing to grant waivers on mandatory sanctions that Congress has imposed. It is something that the Executive branch, specifically State and Treasury, is continuously weighing and balancing as we look to our actions.

Referring to what Rachel said, it is important in our Russian response and why it's different than some of the embargoes that we've put on other countries. This is because it is so specifically targeted; Russia is and was such an internationally connected country and continues to remain so. Our speakers earlier talked how the U.S. dollar continues to remain critical to a number of international transactions, especially large ones that happen in the energy space or other, large transactions. Often, these transactions end up involving U.S. dollars. For that reason, we know some of this trade that Russia is doing has shifted towards other countries, including China. We continue to remain confident that our sanctions will continue to be effective. Remember the end goal of our sanctions is to enable Russia to stop its aggression in Ukraine, to come back to some sort of negotiated settlement, what/whensoever that is. It's not to continue to impose costs unnecessarily should circumstances change and should the behavior change.

STEPHEN ALSACE: A follow up question with respect to Cuba. It was in my presentation, but I ran out of time. Canada loves Cuba. We have a different approach to Cuba than the United States has for years. Canada has a lot of trade and tourism and investment in Cuba. That presents quite a challenge for Canada, particularly with respect to our friends in the United States. Canada has something called a Foreign Extraterritorial Measures Act, which is intended to counteract Helms Burton.

Back in 1997, there was a big row over Walmart pajamas. These were nine-dollar pajamas that were on the shelf, purchased by Walmart in Canada. Somebody complained saying "how can you have Cuban pajamas for sale that were sourced by Walmart, a United States company?" Then all the stores within Canada for Walmart pulled all the pajamas off the shelves. A complaint was made to the Attorney General's office in Canada saying, "no, under FEMA, you have to put those pajamas back on the shelf." This diplomatic row erupted right between the Government of Canada and the United States. Eventually it was resolved, because Canada agreed to not to have the pajamas sold on the shelves. It turned out that they were highly flammable as well, so they represented a safety issue for children. That was the justification for pulling them off the shelves. Walmart then changed the source. The pajamas were no longer produced in Cuba.

With respect to China and Chinese sanctions, to what extent, in the event of an invasion of Taiwan, is the United States looking at expanded sanctions?

MICHAEL CASS-ANTONY: I cannot comment specifically on what the United States is looking at in response to any kind of potential issues in that part of the world. From our response to Russia's invasion of Ukraine, we continue to work closely with allies and partners around the world to figure out what our



response *would be* in the event of a specific situation, wherever that might occur, wherever hostilities occur. Our efforts in Russia and Ukraine have been paramount in building a lot of these coordination mechanisms which remain in effect. I remain confident that if something were to happen in another part of the world, we are in a better place now to respond to it, from an economic pressure perspective, than we were prior to February 20, 2022.

MICHAEL SCHARF: From my reading, most experts say that China is looking very closely at how we respond to the Russian invasion of Ukraine, both militarily and economically, in determining its costs and benefits for a future action against Taiwan. That's something you can't say, but it's clear that that's the subtext.

CHASE WINNER: Thank you, great conversation. My name is Chase Winner, I'm a reporter with Energy Intelligence. Two questions—one for Rachel, specifically on Iran. Since Iran is now exporting anywhere [between] 1.2 to 1.4 million barrels a day largely to China and that trade is outside the U.S. financial system with [teapot] refineries in China, is there really anything the U.S. can do about that trade? I know, there's pressure coming in from Congress, there's the SHIP Act [which] passed the House on Friday, for example. There['s] been speculation that it was an intentional policy by the Biden Administration to ease tensions with Iran before, given events between Hamas and Israel, that calculation, assumingly is going to change? If you could please talk to that. Specifically, can you really do anything if it's outside the U.S. financial system?

To Michael, you mentioned that the U.S. is coordinating with G7 partners on, not only the price cap, but other issues. Last week, I believe you announced sanctions on the Arctic LNG 2 project—a major Russian project to expand their natural gas exports. The sanction targeted Nova Tech—a contractor. That raises questions whether or not you coordinated with the G7, for example, France? In that project [the French energy company] Total is a partner (either 10% or 20), and presumably, it needs to exit the project. Could you speak to that? Did you coordinate? Do you coordinate on big announcements like that? Thank you.

RACHEL FREDMAN LYNKAAS: [With] respect to Iran, based on my purview I can't comment on the specifics, in terms of measures being considered. A broader comment on trade undertaken outside of the U.S. financial system, and what we do about that. Touching on Michael's comments earlier, the Russia case and undertaking more trade with [China] to help get some of the goods that might have been caught off from EU shipments for example. Those are often costlier transactions. [I'd] be much less concerned about any material impact on the use of the U.S. dollar over time, because these are on such a small scale. In certain cases, they're much costlier for the countries that need to shift and find alternative suppliers.

MICHEL CASS-ANTONY: On the Arctic LNG 2 two questions, one of our broader efforts in the Russia space is to curtail Russia's ability to produce revenues, future energy revenues specifically. It's been of it's been a very intentional effort within the United States, specifically State and Treasury, of taking actions to curtail future energy revenue projects, because that revenue will [or] could potentially be used, obviously, to redirect profits towards Russia's war

machine in Ukraine. With any large action that we take, we are heavily coordinated with partners. You should expect that with these efforts that we took, we worked closely both with the French but as well as the Japanese, both of whom have oil companies that maintain large stakes in the project. While we designate the project company, this most recent time, we had designated additional contractors and subsidiaries throughout to make it in our intentions kind of clear that this is a project that we do not want to go forward because it will create additional revenue for the Russian regime to be able to use for its nefarious purposes.

More generally to your question regarding the stakes that Total and others have in the project, [we] work really closely with OFAC on, and we routinely get requests for licenses to be able to divest or do other things, from projects, and especially with complicated matters like this. We expect the requests to come. We'll continue working on that. Energy is not only an important source of revenue for the Russian government, but it's something that continues to wield and hold over others closer in its jurisdiction, like Ukraine. In the same ways that it continues to do that, many partners have had to decouple themselves from Russian energy channels over the last twenty months. We'll continue to cripple its ability to future produce that revenue and to bring more of those projects online as we can.

LEO NEWMAN: Hi, Leo Newman, former senior advisor in the Kenyan government and spent the last year in DC, at Johns Hopkins. While we have talked about sanctions, and we have implemented them at a rapid pace, and probably more extensively than ever before, I see a world where we would continue doing that in a lot of other parts of the world. We often see the lifting of sanctions as a one-way street where we impose different sanctions, and then, "it's all stick, no carrot" at the end of it.

How do you see the lifting of the sanctions and where that plays into the role of economic sanctions that have incentives at the end of the day as well?

RACHEL LYNAGASS: Under this Administration, there is more of a concerted focus on looking at cases in which we've imposed sanctions, and there might be evidence over time of whether the sanctions were as effective as intended. Also, the evidence might show what was our intended goal for using this tool and was it the best fit for this purpose? There is broad gamut of considering cases of sanctions removal. I referenced these list-based sanctions [are] more targeted, and there is a potential process around being able to lift sanctions on individuals. OFAC does engage quite a bit with private industry and partners on those cases. There are cases in which those types of sanctions have been removed. There's kind of much broader cases where you're looking at sectoral sanctions on. It's very much kind of case specific. There's not really any kind of blanket policy or effort to like, broadly, just removed sanctions. In terms of dealing with actors, where we're still seeking behavior change or we're still seeking, like free and fair elections in some of these countries, that there has to be kind of conversation and diplomacy surrounding any kind of efforts for sanctions relief. That's very much kind of the case in Venezuela mentioned earlier. For any other case, the case would have to be part of a kind of concerted diplomatic effort—one in which would ideally involve allies and partners. There is very much a willingness to be able to use those

“carrots”, in addition to the “sticks, “particularly in cases where sanctions have been imposed for a long period of time. The situation has changed quite a bit since they were initially imposed. It might merit kind of examining it further.

MICHAEL CASS-ANTONY: Under this administration, there’s a willingness to kind of roll back certain measures. I think, as Rachel kind of started her comments, saying there was the Treasury sanctions review that came out a year and a half ago, which said that sanctions should be clear, but also should be reversible, when that becomes necessary, as well. That is a position of this administration. Specifically, the Venezuela example made headlines and you hear about it a lot. You don’t hear about the smaller examples of the de-listings that happen on a very routine basis, that primarily OFAC engages in with the guidance of the State Department. Those are happening quite frequently.

RACHEL FREDMAN LYNKAAS: This is a very rich conversation. There’s so much complexity now around sanctions design. There’s a need for enhanced coordination. Partner governments are really building up their capacities. I’m very optimistic for the future of improving the efficacy of this tool and making sure that it’s impactful but measured in its application. Information, data, and analysis can better inform the use of the tool in the future. As the conversation bears, it’s a tool that we have to be thoughtful about using and to be willing to have open conversation with private sector and think tanks to continue to shape and make sure that it’s utilized.

MICHAEL CASS-ANTONY: Michael, thanks so much for the discussion. I’ll start where Rachel ended. It is important that discussions like this happen, both with the private sector and think tank. Events like this disseminate more information out there about the intention of our programs, how they’re structured, how our regimes work. I’ll end with where I started by talking about the relationship and the kind of coordination that the U.S. has with its partners on sanctions, and specifically with our work on Russia, which I think has been tantamount over the last year and a half. It has been kind of an unprecedented the amount of discussions that we’ve had with our allies and partners. We’re very thankful to the coordination that we’ve had with our Canadian colleagues. We’re very thankful that we’ve been able to align many of our measures and looking forward to doing much of that in the future. Within the State Department, but specifically within my office, continued coordination with the private sector to understand how our measures are or are similar and different from those of Canada, other G7 partners and others who have implemented these kinds of restrictions remains important. I appreciate the opportunity to kind of have this discussion and hope to have more of them in the future.

MICHAEL SCHARF: Rachel Fredman Lyngass, Michael Cass-Antony, thank you.

