



# How is your business affected by the Ukrainian crisis?

**Sanctions and employment law indications**

KPMG Legal Tóásó Law Firm

---

2 March 2022

# Contents

---

## 01 EU Sanctions

---

- 02 Additional Hungarian measures
- 03 Employment considerations
- 04 What can you do?
- 05 Contacts



# | Current EU sanctions against Russia



The EU adopted two packages of sanctions on the 23rd and 25th of February that include the below measures.



Import ban and restrictions on trade and investments – prohibition to finance the Russian Federation, its government and Central Bank.



Measures targeting high profile individuals and entities – asset freeze, prohibition from making funds available and travel ban.



Export ban covering dual-use items, goods and technology in oil refining, aviation & space, defence & security industries and related services.



Shutting down EU airspace for Russian aircrafts.



The adopted measures also cover Belarus.



Further, EU leaders committed to ensuring that selected Russian banks are removed from the SWIFT messaging system. The concerned banks are yet to be confirmed.



List of the sanctioned individuals and entities:

- I. [By the package adopted on 23](#)
- II. [By the package adopted on 25 – L048-L054](#)

# Contents

01 EU Sanctions

---

## 02 Additional Hungarian measures

---

03 Employment considerations

04 What can you do?

05 Contacts



# Additional Hungarian measures



Hungary recognises people fleeing from Ukraine as persons eligible for temporary protection.

**As of 1 March, Magyar Nemzeti Bank (MNB) has withdrawn the licence of Sberbank Hungary and initiated its dissolution.**

**The decision follows the Single Resolution Board's action to wind-up the European parent company, Sberbank Europe AG.**

**From 2 March, MNB has limited to HUF 7 million per customer for 30 days the amount of deposits and other repayable funds payable by the Hungarian Sberbank.**

From 28<sup>th</sup> February, MNB appointed a Supervisory Commissioner to the bank who will take over the management of the credit institution from its Board of Directors to ensure its proper functioning.

**MORE UPDATES REGARDING SBERBANK WILL FOLLOW SOON.**



# Contents

- 01 EU Sanctions
  - 02 Additional Hungarian measures
- 

## 03 Employment considerations

---

- 04 What can you do?
- 05 Contacts



# Employment considerations

**If you have employees living in Ukraine take into consideration the below factors:**

Since the invasion of Ukraine, military operations are ongoing country-wide. The number of civilian casualties is expected to rise.

**Martial Law was imposed** on 24<sup>th</sup> of February for a period of 30 days, which mean constitutional rights of natural and legal persons may be restricted.

Ukraine has **started conscripting reservists** aged 18-60. Failure to appear may result in criminal liability.

Many places in Ukraine a curfew has been imposed.

We advise you to take immediate steps to receive information about your colleagues' whereabouts and whether they are affected by the invasion.



# Contents

- 01 EU Sanctions
  - 02 Additional Hungarian measures
  - 03 Employment Perspectives
- 

# 04 What can you do?

---

- 05 Contacts



# | What can you do?



Check whether you might be directly affected by the restrictions.



Make sure to follow the relevant geopolitical and regulatory advice.



Develop **emergency process plans** to minimise business disruption.



Monitor whether your supply chain is depending on Russian resources. Look at **out-of-country resource options** should they be required.



As banks are targeted by the sanctions, you might experience difficulties accessing your assets or it might be difficult for other parties to pay you. **Consider alternatives and requesting pre-payment.**



If your business is severely disrupted by the ongoing situation and unable to fulfill contractual obligations you might want to **declare force majeure and re-evaluate your contracts.**

# Contents

- 01 EU Sanctions
- 02 Additional Hungarian measures
- 03 Employment Perspectives
- 04 What can you do?

---

## 05 Contacts

---

# Contacts



**dr. Bálint Tóásó MSc LL.M  
(Vienna)**

Partner, Head of Legal Services

T: +36 30 663 6245

E: [Balint.Toaso@kpmg.hu](mailto:Balint.Toaso@kpmg.hu)



**dr. Boglárka Kricskovics-Béli**

Counsel, Attorney-at-Law

T: +36 70 520 4507

E: [boglarka.kricskovics-beli@kpmg.hu](mailto:boglarka.kricskovics-beli@kpmg.hu)



**dr. Fanni Bobek**

Junior Associate

T: +36 70 198-1286

E: [fanni.bobek@kpmg.hu](mailto:fanni.bobek@kpmg.hu)



© 2022 KPMG Legal Tóásó Law Firm a Hungarian registered law firm and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.