

Submission by the *Australian Lithuanian Community in Melbourne Association Inc.*  
to the Senate Inquiry on **Australia's sanctions regime**

## **Introduction**

The *Australian Lithuanian Community in Melbourne Association Inc.* is an umbrella organisation for all Melbournians of Lithuanian descent or related to a person of Lithuanian descent.

In the excellent 28 July 2024 SBS news article by Lara Shvets & Jennifer Scherer, "Australian crude oil imports could undermine Russian sanctions, experts say" it is stated that

"The oil sanctions on Russia enforced by EU/G7 countries mean that they can't import crude oil or oil products from Russia, but unfortunately there exists a built-in loophole, a legal loophole, which allows them to import refined oil products from countries that are not sanctioning Russia, countries like China, India, and Turkey."

**We request that the Senate Inquiry carefully consider proposing a ban on all oil products produced from Russian crude.**

As stated on the Centre for Research on Energy and Clean Air (CREA) website:

"The price cap coalition's relatively low reliance (3%) on oil products produced from Russian crude means that a ban on these imports would have no significant inflationary pressure on domestic oil prices."

In addition, Australia's transition from fossil fuel to clean energy transport is gaining pace. For new car sales, about 8% are Electric Vehicles (EVs) and about 14% are hybrid petrol/electric vehicles (New Daily article "Electric vehicles are cheaper, but motorists look to hybrids" by Matthew Elmas, July 5 2024). Electric buses are increasingly visible on our roads.

Consequently, any potentially inflationary pressure of a ban on oil products produced from Russian crude is reducing over time, at an increasingly rapid pace.

## **Terms of Reference**

**Australia's sanctions regime, with particular reference to:**

**(f) consideration of methods to assess the effectiveness of sanctions decisions and/or the extent to which sanctions are having the intended impact, and recommend any improvements**

As stated in this SBS news article:

"According to the Centre for Research on Energy and Clean Air, in 2023 Australia imported refined oil products from Vadinar refinery in India, owned by Nayara Energy, whose major shareholder is Rosneft, a Russian oil company sanctioned by Australia."

Rosneft owns a 49% stake in the Vadinar refinery. Purchase by Australian companies of oil products from this refinery substantially aids the financing of Putin's genocidal and imperialist war on Ukraine.

We request that the Senate Inquiry carefully consider proposing a ban on all oil products produced from Russian crude.

At the very least, Australia's sanctions regime on Russian oil should include the sanctioning of all oil products produced by refineries, such as Vadinar, in third-party jurisdictions that so blatantly circumvent the aim of the sanctions, which is to decrease the financing available for Putin's unprovoked and unjustified war on the sovereign nation of Ukraine.