

Working Paper

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RESEARCH DIVISION INTERNATIONAL SECURITY | WP NR. 01, AUGUST 2021
AND THE AMERICAS DIVISION

International Sanctions: Improving Implementation through Better Interface Management

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Time to act: Harmonizing global initiatives and technology-based innovations addressing de-risking at the interfacing sanctions-counterterrorism-humanitarian nexus

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Introduction

Love them or hate them, sanctions look set to remain a favored tool of foreign and security policy for the European Union (EU) and others around the world for the foreseeable future. In spite of this, global developments in their use over the past two decades have – once again – put a spotlight on their humanitarian impacts,¹ as well as the ways they can hinder the ability of humanitarian organizations to carry out their work effectively.² In particular, the phenomenon of “over-compliance” among private and not-for-profit sectors – also known as “de-risking” and the “chilling effect” – has become so entrenched that many vulnerable and fragile countries and populations around the world can now be considered “unbanked” and consequently face serious impediments in accessing basic healthcare and essential goods. The situation is further exacerbated through U.S. extraterritorial (or secondary) sanctions, compounded through the dominance of the U.S. dollar in international finance, and the prevalence of U.S. companies in global trade.³ Policymakers are increasingly asking themselves what urgent steps can be taken to resolve (or, at least, alleviate) what has been described as a mounting global crisis by the likes of the G20, World Bank, International Monetary Fund (IMF), Financial Stability Board (FSB) and the Financial Action Task Force (FATF).⁴

After outlining some of the key humanitarian concerns stemming from the contemporary sanctions and wider regulatory landscape, this paper highlights recommendations for future action. These recommendations range from more strategic policy and regulatory changes that could be made at the source of the problem, namely the largely unaddressed interface challenge between government and the financial sector through improved guidance and training, to the more tactical “sticking plaster” end of the scale, including in relation to humanitarian banking channels, special purpose vehicles (SPVs), stand-alone humanitarian banks, and the role for new technologies and other innovations in allowing funds to reach high risk jurisdictions. It does so through a review of over 40 multi-stakeholder initiatives and research projects that have been underway over the past decade in seeking to address problems associated with de-risking, as well as through anonymized semi-structured interviews with over 30 sanctions, humanitarian, regulatory and banking specialists and practitioners conducted between early 2018 and early 2021.

¹ Erica Moret, “Humanitarian Impacts of Economic Sanctions on Iran and Syria”, *European Security* 24, no. 1 (2015): 120-140.

² Alice Debarre, *Safeguarding Humanitarian Action in Sanctions Regimes* (International Peace Institute, New York, 2019); Emanuela-Chiara Gillard, *Research Recommendations for Reducing Tensions in the Interplay Between Sanctions, Counterterrorism Measures and Humanitarian Action* (Chatham House, August 2017), https://www.chathamhouse.org/sites/default/files/publications/research/CHHJ5596_NSAG_iv_research_paper_1708_WEB.pdf (accessed 1 May 2021).

³ Mark Daniel Jaeger, “Circumventing Sovereignty: Extraterritorial Sanctions Leveraging the Technologies of the Financial System”, *Swiss Political Science Review* 27, no. 1 (2021): 180-192.

⁴ Grégoire Mallard, Farzan Sabet and Jin Sun, “The Humanitarian Gap in the Global Sanctions Regime Assessing Causes, Effects, and Solutions”, *Global Governance* 26 (2020): 121-153.

A rise in complexity in contemporary interfacing sanctions practices

Interfacing sanctions regimes: Used to tackle a broad range of security threats and breaches of international norms, the United Nations (UN) has used sanctions for a growing number of objectives in past decades, though recent uptake has stabilized. In parallel, a growing number of countries and regional organizations – spanning advanced economies, emerging powers and developing countries – are employing autonomous or unilateral sanctions (instead of, or as well as, measures agreed through the multilateral framework) in an increasing variety of contexts, for a growing number of objectives, and against a mounting range of targets.⁵

As such, many of the world's sanctions regimes now represent a complicated web of overlapping measures creating various interface challenges. While a number of high-profile autonomous sanctions regimes are planned and coordinated through ad-hoc coalitions between the US, the EU and allies that may include Canada, Australia, Japan or regional organizations like the African Union (AU) or Arab League, no formal mechanisms currently exist to monitor their collective impacts, nor their unintended consequences. In addition, with the exception of some UN sanctions regimes (which sometimes include humanitarian panel experts), sanctioning powers do not tend to assess the humanitarian impacts of sanctions regimes.

Interfacing types of sanctions measures: A return of broader sectoral measures on strategically important areas such as finance and energy by some sanctioning powers since the early 2010s also accentuates their likely negative humanitarian impacts. Although most contemporary sanctions regimes remain highly targeted (such as travel bans, asset freezes and arms embargos), some selective sectoral sanctions and trade bans are now so broad that they can be considered *de facto* comprehensive measures, widely associated in the past with marked negative humanitarian consequences, especially when they led to a sharp economic decline and a drop in available capital. In spite of the best interests of sanctioning powers, the provision of licensing exemptions and exceptions on humanitarian grounds, or the provision of supplementary aid, is not typically enough to ensure citizens' basic access to healthcare and other essential goods, nor allow healthcare providers or humanitarian workers to carry out their work effectively.

Interfacing sanctions and wider regulations: Sanctions are often in place alongside Combating the Financing of Terrorism (CFT), Anti-Money-Laundering (AML) measures and export controls, which pose another interface challenge, which in turn adds an additional layer of complexity and costs to those seeking to navigate the complicated compliance landscape. Other policies in place, such as the Saudi naval blockade of Yemen, or the Israeli and Egyptian land, air and naval blockade of Gaza, are examples of other policies that further complicate matters for private and not-for-profit sector organizations operating in sanctioned countries.

Humanitarian impacts and obstacles posed to humanitarian action

A widespread practice of private and public sector over-compliance has accelerated over the past decade as a response to the rising complexity of these interfacing sanctions regimes and other regulations. In the case of the financial and banking sectors, de-risking

⁵ Erica Moret, "Unilateral and Extraterritorial Sanctions in Crisis: Implications of their Rising use and Misuse in Contemporary World Politics", in *The Research Handbook on Unilateral and Extraterritorial Sanctions*, ed. Charlotte Beauchillon (Edward Elgar Publishing, 2021).

has intensified in light of increasingly stringent regulatory requirements, a rise in major fines for those found to be in breach of the measures, and an ever more confusing and costly compliance environment. De-risking has also resulted in the rapid decline in the remaining number of active correspondent banking relationships (CBRs) around the world. As a result, some countries are now almost entirely isolated from the global financial system.⁶ Other private sector companies widely engage in similar processes of self-regulation, including those in the food, medicine and vaccine sectors,⁷ as well as those engaged in shipping (and other forms of transport), insurance, re-insurance, money transfer operators (MTOs, such as Western Union, as well as wider services required for the sending of remittances),⁸ logistics, courier delivery services and technology producers.⁹ Documented cases include those of Iran, Syria, North Korea/DPRK, Venezuela, Cuba, Afghanistan, Sudan, Somalia, Lebanon, Gaza and Yemen, but extend to many other parts of the world. Over-compliance among humanitarian actors (also known as the “chilling effect”) has also led some organizations to deliberately curtail (or even cease) activities from high-risk jurisdictions. Studies have shown that over-compliance across sectors presents obstacles to financial inclusion and integration, poverty reduction and economic growth,¹⁰ with vulnerable populations affected the most (such as women, children, the elderly, refugees, those on fixed incomes and those with chronic health problems).¹¹ Countries under the world’s strictest sanctions and CFT/AML regulations also face unique challenges in tackling the spread of the COVID-19 pandemic, including obstacles to scientific collaboration, fragile or crippled healthcare systems, and political barriers preventing effective cooperation across borders.

Mapping progress: initiatives and research on over-compliance

Research into over-compliance and de-risking is not new, but the past decade has nevertheless seen a rapid proliferation of global multi-stakeholder initiatives and research projects seeking to find solutions to some of the most tangible consequences. While too numerous to detail in this article, some of the fora are listed below:¹²

- Global NPO Coalition on FATF (whose aims include ensuring civil society is effectively engaged on the debate on AML and CTF) including the recently-launched FATF project seeking to study and mitigate the unintended consequences resulting from the incorrect implementation of the FATF Standards, including in relation to de-risking and financial exclusion.
- “Solutions for Safeguarding Humanitarian Action in UN Security Council Sanctions Regimes” (2019, run by the International Peace Institute [IPI], jointly supported by Swiss, German and Mexican Missions to the UN in New York).

⁶ IMF, *The Withdrawal of Correspondent Banking Relationships: A Case for Policy Action*, June 2016, <https://www.imf.org/external/pubs/ft/sdn/2016/sdn1606.pdf> (accessed 1 May 2021).

⁷ Grégoire Mallard, Jin Sun and Erica Moret, “Mitigating the Health Effects of Sanctions in the Age of Coronavirus: A Proposal for a More Effective Global Health Governance Architecture”, under review.

⁸ World Bank, *Report on the G-20 Survey on De-risking Activities in the Remittance Market* (Washington, D.C., October 2015), <http://documents.worldbank.org/curated/en/679881467993185572/pdf/101071-WP-PUBLIC-GPFI-DWG-Remittances-De-risking-Report-2015-Final-2.pdf> (accessed 5 May 2021).

⁹ According to extensive consultations with representatives of these sectors between 2018 and 2021.

¹⁰ Jim Woodsome and Vijaya Ramachandran, *Fixing AML: Can New Technology Help Address the De-Risking Dilemma?* (Center for Global Development, 2018), <https://www.cgdev.org/sites/default/files/fixing-aml-can-new-technology-help-address-de-risking-dilemma.pdf> (accessed 5 May 2021).

¹¹ Moret 2015 (see footnote 1).

¹² These refer to both ongoing and concluded projects, dialogues or fora run as transnational collaborations, national endeavours, academic projects or in-house IO/NGO initiatives.

- UN Inter-Agency Standing Committee Task Force on the Humanitarian Consequences of Sanctions (no longer operating), which, among other things, undertook assessment missions on the humanitarian impact of sanctions and inputted to the 2014 High Level Review of UN Sanctions.
- The “Compliance Dialogue on Syria-Related Humanitarian Payments” (2018-2020, coordinated by the author of this report through the Graduate Institute, Geneva, funded by the Swiss government and supported by the European Commission, World Bank and the then UK Department for International Development, DFID, among others).
- The “Stakeholder Dialogue Forum on Derisking Supporting Financial Access for Humanitarian Organizations and Charities” (since 2016, Dutch Ministry of Finance, Human Security Collective [HSC], World Bank & Association of Chartered Anti-Money Laundering Specialists [ACAMS]).
- The “Global Partnership for Financial Inclusion (GPFI)” (G20/Alliance for Financial Inclusion, with input from the European Commission and the Netherlands government).
- “Unintended Impacts of EU Restrictive Measures on the Delivery of Humanitarian Aid” (2019, led by the Romanian Presidency of the EU, in collaboration with the European Commission and the International Committee for the Red Cross [ICRC]; alongside other meetings that include those with the UN’s Security Council Affairs Division or SCAD).
- The “Counterterrorism and Humanitarian Engagement (CHE) Project” (ongoing, Harvard Law School Program on International Law and Armed Conflict, funded by the Swiss government and supported by the Norwegian Refugee Council [NRC]).
- “UN Sanctions and International Humanitarian Law” (United Nations University, Centre for Policy Research [UNU CPR], supported by the Swiss Government and in coordination with the ICRC, 2020-2021).
- “When Money Can’t Buy Food and Medicine: Banking Challenges in the International Trade of Vital Goods and their Humanitarian Impact in Sanctioned Jurisdictions” (coordinated by the author of this report via the Graduate Institute, Geneva, with funding from the Swiss Network for International Studies [SNIS] and in collaboration with the UN and a range of INGOs and sanctions/CT scholars from the social and legal sciences).
- “Humanitarian Engagement with Non-state Armed Groups”, a joint project between Chatham House’s International Security Department and International Law Programme (from 2016).
- Working group on the “Unintended consequences of anti-money laundering (AML) and countering the financing of terrorism (CFT)” (Center for Global Development, CGD, c. 2015).

A number of national dialogues also exist, including:

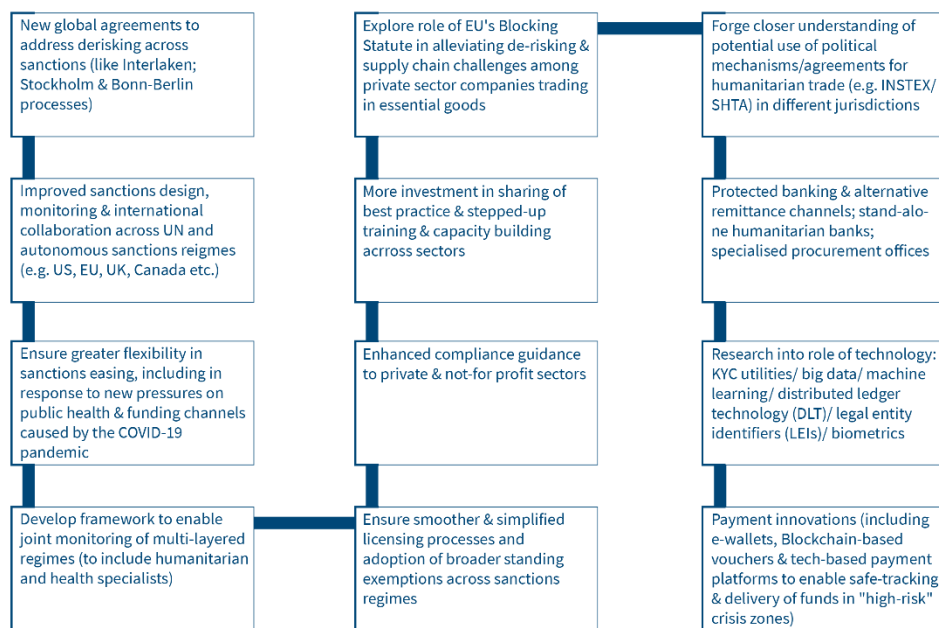
- The UK’s “Tripartite Humanitarian Working Group on International Non-Governmental Organisation Operations in High-Risk Jurisdictions” (currently run by the UK government).
- The “Dutch Roundtable” composed of banks, NGOs and donors from the Netherlands.
- A French de-risking initiative underway since 2017 composed of banks, NGOs and various government ministries.

- The German Finance Ministry is currently in the process of launching a new national dialogue following a round of surveys on de-risking circulated to NGOs and other stakeholders.

Solutions & multisectoral recommendations

A vast array of recommendations for improving the existing interface challenges of de-risking exist already (geared to governments, IOs, the private sector and NGOs), stemming from the aforementioned projects; not only for those imposing sanctions, but also for financial institutions, humanitarian organizations and the wider private and not-for-profit sectors. The following section summarizes some of the key suggestions, and offers some novel ideas for potential ways forward. Figure 1, below, provides a typology that illustrates where these solutions sit in the policy cycle.

Potential measures to alleviate de-risking pressures at different parts of the policy cycle.



Translation and adaptation: 2021 Stiftung Wissenschaft und Politik (SWP)

Figure 1: Potential measures to alleviate de-risking pressures at different parts of the policy cycle

Do not reinvent the wheel: Any future work designed to tackle de-risking across sectors should take heed of the existing (substantial, multi-disciplinary, trans-sectoral) body of work produced in recent years. For new (as well as existing) initiatives, stepped-up efforts should also be made to engage closely and regularly with ongoing projects in order to build on earlier developments, avoid duplication and collaborate on topics of common interest, where applicable. The exchange between these initiatives would be an entirely new interface by and for itself. This could (and *should*) be done at all stages of the de-risking process outlined in the figure above, beginning with broad policy changes (at the UN, US, EU and elsewhere) and ending with innovative solutions. Indeed, without changes at the source, such problems will continue to proliferate at a fast pace around the world, but without urgently needed action at the other end of the scale, vulnerable populations and fragile countries will increasingly be forced to forsake access to vital goods or humanitarian assistance, with grave consequences in the short- and medium-term and from the local

to global level. Policymakers should also seek ways to move some of these initiatives past the discussion stages, identify areas where improvements can still be made, and register progress that might be translatable to cases in differing geographical, political and humanitarian contexts. These efforts could benefit from a global dialogue akin to the earlier Interlaken, Stockholm & Bonn-Berlin processes, which radically changed the face of international sanctions policy in the 2000s and led to the shift from comprehensive to targeted use of international sanctions (see the contribution by Michael Brzoska).¹³

More considered sanctions design: At the UN, reporting on humanitarian impacts could be incorporated more broadly into the mandates of Panels of Experts and into the focus of Sanctions Committees, political considerations notwithstanding. Expansion of the Ombudsperson's role to also consider humanitarian matters could also be beneficial. The EU and allies, for their parts, could also consider appointing experts to fulfil similar roles. In cases of sectoral sanctions (particularly those on finance and energy sectors), assessments should be carried out more systematically on likely humanitarian effects, in consultation with humanitarian and public health specialists. The EU and other partners could work together to encourage the Biden Administration to move away from the far-reaching sanctions policies that were intensified under the Trump Presidency, including those associated with the much-critiqued "maximum pressure" campaign. Across the board, a concerted effort should also be made to return to more strictly targeted sanctions, rowing back on the "re-comprehensivization" of various international sanctions regimes.

More strategic sanctions design & implementation: Major sanctioning powers could employ a more strategic and flexible approach in the temporary easing of sanctions in response to changing situations on the ground, including in relation to the COVID-19 pandemic. Sanctions lifting need not be an all or nothing calculation; there is room for greater creativity and flexibility in how the tools are adapted in a responsive manner to wider geopolitical, socio-economic and public health considerations.¹⁴ Also beneficial would be better joint coordination and monitoring of multi-layered sanctions regimes, sovereignty concerns notwithstanding. Ad-hoc forms of collaboration in this sphere are already common and are expected to grow (including in light of the strengthening of the UK's capabilities due to its departure from the EU and Canada's bolstering of sanctions capabilities since 2017).¹⁵ An international body, for example at the G7 level or among the Group of Like-Minded States on Targeted Sanctions,¹⁶ could be created to carry out such a function. Another important area that warrants closer consideration is the role that the EU's Blocking Statute

¹³ Watson Institute for International Studies, *Targeted Financial Sanctions: A Manual for Design and Implementation: Contributions from the Interlaken Process* (Providence, RI, 2001); Michael Brzoska (ed), *Design and Implementation of Arms Embargoes and Travel and Aviation Related Sanction. Results of the Bonn-Berlin Process*, Bonn International Center for Conversion (BICC), (Bonn, 2001); Peter Wallensteen, Carin Staibano and Mikael Eriksson, *Making Targeted Sanctions Effective, Guidelines for the Implementation of UN Policy Options* (Uppsala, 2003), http://www.smartsanctions.se/stockholm_process/reports/Final%20report%20complete.pdf (accessed 5 May 2021).

¹⁴ For some examples, see Thomas Biersteker speaking as part of webinar panel convened by Erica Moret for the Graduate Institute's Global Health Centre and Global Governance Centre, "When Borderless COVID-19 Hits Sanctioned Countries, What Gives?", 2 June 2020, <https://graduateinstitute.ch/covid-webinar-sanctions> (accessed 1 May 2021).

¹⁵ Moret 2021 (see footnote 5).

¹⁶ Composed of Austria, Belgium, Chile, Costa Rica, Denmark, Finland, Germany, Liechtenstein, the Netherlands, Norway, Switzerland, and Sweden (Debarre 2019, see footnote 2) and since 2012 took action to improve the role of the Ombudsperson with regard to Human Rights considerations in UN sanctions regimes (see https://charityandsecurity.org/news/un_targeted_sanctions_improves_due_process_protections/).

(designed to provide protection to European companies against U.S. extraterritorial sanctions) could play in helping to avoid de-risking among commercial companies trading in essential goods (including medicine, vaccines, food, sanitary products and technology).

Improved licensing mechanisms & standing exemptions: Another set of detailed recommendations relates to the need to improve licensing exemption mechanisms and introduce broader standing exemptions to all sanctions regimes¹⁷; something that has been debated in various fora but has often been met with political opposition, including by the UNSC.¹⁸ The need for clearer regulatory language (and the development of a common language) is another commonly referenced recommendation across sanctions regimes. Continued efforts to streamline regulatory requirements for banks (and, in turn, what banks require from NGOs) would also be highly beneficial. A clearer view would also be useful across the board on the role of provisions such as Safe Harbor Protections,¹⁹ Comfort Letters and (the generally controversial) white lists of acceptable banks or NGOs.

Training & clarity: Another set of recommendations applicable to all relevant sectors relates to awareness-raising, pedagogy and communications. The UN, EU and other regional organizations should strive to provide clearer guidance to their member states. In turn, all sanctioning powers should strive to provide accessible advice, FAQs and easy-to-reach points of contact for companies and NGOs dealing with sanctioned jurisdictions. Training, capacity building and sharing of best practice across, and between, relevant sectors (governments, financial institutions, humanitarian actors, wider private sector) has also been highlighted as an urgent priority in light of widespread confusion over, and unawareness of, the problem. Wider sectors should also be included in these best practice discussions, such as MTOs (and other companies dealing with remittances), shipping firms and insurance companies, as well as other policy areas, such as development, education, public health, diplomacy and mediation.

Humanitarian banking channels, SPVs & alternative payment platforms: Other (ambitious) areas that warrant more urgent research, particularly at the policy level, are the identification and use of potential banking channels for large scale humanitarian efforts; “protected” or licensed payment routing involving named private banks; a stand-alone humanitarian bank (e.g. run by the UN or EU); SPVs and specialized UN procurement offices that can be granted full authority to access humanitarian goods and services in line with sanctions in place (as was created in Sudan to import medicines and as has been proposed in

¹⁷ For example, the ICRC, in a recent statement to the UNSC said “Further well-crafted humanitarian exemptions can be adopted by more States and promoted by the Security Council. These are best done through standing exemptions covering the exclusively humanitarian activities carried out by impartial humanitarian organizations operating in accordance with IHL rather than ad hoc remedies which can be inefficient and take unwarranted time and resources”. See ICRC, “Counter-terrorism measures must not restrict impartial humanitarian organizations from delivering aid”, Statement to United Nations Security Council debate: Threats to international peace and security caused by terrorist acts: International cooperation in combating terrorism 20 years after the adoption of resolution 1373 (2001), 12 January 2021, <https://www.icrc.org/en/document/counter-terrorism-measures-must-not-restrict-impartial-humanitarian-organizations> (accessed 29 June 2021).

¹⁸ According to interviews with sanctions and humanitarian specialists familiar with the UN system in May and July 2019. See also Rebecca Brubaker, *Paving Pathways to Peace Talks with Sanctions and Exemptions?*, Sanctions and Mediation Policy Memo Series, Policy Memo 1/3, (New York: United Nations University, 2020), <http://collections.unu.edu/view/UNU:7875> (accessed 29 June 2021).

¹⁹ Safe Harbor is a provision of a regulation that states that particular activities will not be considered in violation of particular rules.

the Syrian case).²⁰ While mechanisms or agreements such as INSTEX, the Swiss Humanitarian Trade Agreement (SHTA) and those in development in South Korea all focus on the Iranian context (and have suffered from a lack of political buy-in and continued fears over the far-reaching impacts of U.S. sanctions), more thinking could also be given to how these types of models could help to alleviate some of the strain experienced in other “unbanked” countries.²¹ Further thought should also be given to potential solutions offered by alternatives to the formal banking system, including in relation to traditional and alternative remittances channels,²² particularly in the current context where access to formal banking systems is increasingly unavailable to a range of fragile and vulnerable jurisdictions around the world.

Role of digital technologies: New technologies are another area that warrants more consideration for their potential to alleviate or resolve some of the main humanitarian problems linked to de-risking (privacy and data-storage considerations notwithstanding). One report for the Center for Global Development, for example, highlights the potential utility of know-your-customer (KYC) utilities,²³ big data, machine learning, distributed ledger technology (DLT; including Blockchain), legal entity identifiers (LEIs), and biometrics.²⁴ A recent Graduate Institute study went on to explore the viability of launching a Blockchain-based digital coin that could be administered by a multilateral licensing authority (including the U.S. Treasury’s Office of Foreign Assets Control or OFAC), capable of efficiently administering a global sanctions exemption program.²⁵ International Organizations (IOs) and international NGOs have also been researching and developing technology-based solutions to some of these problems (“tech-for-good”), while developments in the fintech and Govtech spheres have also developed products that may be adapted to serve a useful purpose in addressing de-risking.²⁶ Thus far, however, these types of solutions remain unexplored territory for most experts, practitioners and policymakers working on the global over-compliance crisis

Conclusion

The rising global emergency of de-risking has been shown to cause devastating barriers to humanitarian action and access to essential goods in heavily sanctioned or unbanked countries. The EU, second only to the U.S. as the world’s most prolific sanctioning actor,

²⁰ As suggested in the Syrian context in UN General Assembly, *Report of the Special Rapporteur on the Negative Impact of Unilateral Coercive Measures on the Enjoyment of Human Rights on His Mission to the Syrian Arab Republic (A/HRC/39/54/Add.2)* (Geneva, 2018), <https://reliefweb.int/report/syrian-arab-republic/report-special-rapporteur-negative-impact-unilateral-coercive-measures> (accessed 1 May 2021).

²¹ Development of SPVs is unlikely to gain much traction, however, in light of the limited success of existing models as well as fears that it could lead to further fragmentation of the financial system and a decline in transparency.

²² This is the focus of a study currently being carried out by the author on the political economy of Syrian remittances for the National Agenda for the Future of Syria (NAFS) Programme II at United Nations-ESCWA as part of a wider project entitled “Syrian Remittances: Dynamics, Volume and Future”.

²³ For example, this could include the establishment of a KYC utility to better inform financial institutions/increase transparency on NGO operations and strengthen tools for due diligence by correspondent banks.

²⁴ Woodsome and Ramachandran 2018 (see footnote 10).

²⁵ Grégoire Mallard, Farzan Sabet and Jin Sun, “The Humanitarian Gap in the Global Sanctions Regime Assessing Causes, Effects, and Solutions”, *Global Governance* 26 (2020): 121–153.

²⁶ In Switzerland, for example, a joint initiative between the technical universities EFPL and ETH, and the ICRC, supports the development of technology-based innovations from engineering to data science, to support the fields of humanitarian assistance, sustainable development and peace promotion (<https://essentialtech.center>). This latter topic will be the focus of a new study run by the author and based at the Geneva Centre for Humanitarian Studies (a collaboration between the Graduate Institute and the University of Geneva).

has a central role to play in ensuring that the sanctions it employs impart as little harm as possible to vulnerable populations around the world. If the private sector over-complies with sanctions in place to the extent that no further trade of essential goods continues to decline, or that the humanitarian space continues to shrink, this runs the risk of not only causing further, catastrophic negative humanitarian consequences in fragile environments, but it could also inadvertently change the impact of the public policies in place and further reduce their chance of succeeding. As the negative humanitarian impacts of some interfacing sanctions regimes are put under a spotlight in relation to the pandemic, questions will be asked about the ability of governments and the international community to provide sufficient public health and vaccine provisions to *all* populations around the world, including those living in “unbanked” countries and those often inaccessible to humanitarian workers, such as non-state armed groups (NSAGs).²⁷ As the problem continues to worsen at a fast pace, this could not only have negative impacts for the EU – both reputationally (in light of its role as a normative power with keen humanitarian concerns) and in terms of its future ability to use sanctions effectively – but could also impact negatively on the UN’s use of the tool and its wider legitimacy. At a time when global governance is already at a crisis point, a further major knockback could have catastrophic impacts on the future of multilateral action and views on the legitimacy of global governance structures. Enacting more of the aforementioned solutions would also help address some of the key interface challenges and alleviate the suffering of innocent citizens.

²⁷ Tom Keatinge and Florence Keen, *Humanitarian Action and Non-state Armed Groups: The Impact of Banking Restrictions on UK NGOs*, Chatham House (London, 2017), <https://www.chathamhouse.org/sites/default/files/publications/research/2017-04-28-nsags-banking-restrictions-ngo-keatinge-keen.pdf> (accessed 1 May 2021).