To:
Kaja Kallas
Vice-President
European Commission

Subject: Global civil society organisations call on European Commission to refuse €2 billion gift to Raiffeisen Bank International

Nijmegen, October 14, 2025

Dear Vice-President of the European Commission Ms Kaja Kallas,

We, the undersigned civil society organisations from Ukraine, the European Union (EU), and abroad, are writing to express our serious concerns with the European Commission's endorsement of an Austrian proposal to award €2 billion in frozen Russian assets to Raiffeisen Bank International (RBI).

We understand that the European Commission has endorsed this proposal in the context of the 19th EU sanctions package against Russia.[1] In a legislative package intended to increase pressure on the economic activities sustaining Russia's aggression in Ukraine, the Commission's proposal suggests unfreezing sanctioned oligarch Oleg Deripaska's former shares in Austrian construction company Strabag to award them to RBI, compensating RBI for the €2.1 billion a Russian court seized from its subsidiary in January to award them to Deripaska-linked company Rasperia Trading.

We strongly believe that this proposal has no place in the coming European sanctions package. Far from applying economic pressure on Russia, awarding these frozen assets to RBI would legitimise the risk-seeking behaviour of a financial institution that has long jeopardised both European security interests and Ukrainian human rights by continuing to operate in the Russian market.

The scale of RBI's involvement in Russia's war economy is well-documented. More than three and a half years into Russia's illegal war of aggression against Ukraine, RBI remains the foreign financial institution with the largest operations in Russia by far. The Russian government identifies RBI's economic rule in Russia as "systemically important": In addition to having paid more than €1.6 billion in income taxes to the Kremlin since the onset of the war, RBI operates crucial international payment infrastructure in Russia, enabling Russian gas to continue flowing into the EU and undermining the EU's ambitions to achieve energy independence from Russia by 2027.[2] Reports further suggest that RBI's operations in Russia have strengthened both Russian military suppliers

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[1] Strupczewski, J., & Bayer, L., EU in stalemate over Russia-linked Raiffeisen compensation, diplomats say, Reuters, October 2025
[2] BankTrack, Banks and Russian Aggression in Ukraine, August 2025
Bloomberg News, European banks with Russian units help keep natural gas flowing, June 2025

and state-operated businesses and entities, with subsidiaries engaged in activities that may run counter to the EU's own sanctions legislation.[3]

Since the start of Russia's full-scale invasion of Ukraine, civil society organisations and international regulators have repeatedly voiced calls for RBI to delink itself from the Russian war economy; notably, the ECB ordered the bank to pare back its financial activities in Russia in early 2024.[4] While RBI claims it is committed to leaving Russia by completing a sale of its Russian unit, CEO Johann Strobl has himself noted that such a sale is "not in [the bank's] hands". [5] Despite acknowledging the weakness of its exit strategy, however, RBI continues to resist calls to adopt a viable alternative strategy by pursuing a full and orderly wind-down of its Russian operations.

RBI's behaviour over the course of the past three and a half years indicates a sustained willingness to prioritise wartime profits while ignoring the financial, political, and human rights risks of operating in Russia. We must accordingly be very clear: the Russian court-ordered seizure of RBI's assets, while outrageous, was a predictable outcome of RBI's risk-seeking behaviour in continuing to tie its financial operations to a state in which the rule of law does not apply. By offering to cushion RBI's risk, the European Commission sets a dangerous precedent, signalling to rogue operators in conflict zones that they have nothing to fear.

We are furthermore deeply concerned that this proposal would legitimise Russian oligarchs' continued attempts to seize European business assets in Russia by green-lighting a de facto "asset swap" between RBI and Deripaska-linked businesses. We note that in early 2024, RBI unveiled a dubious plan to "trade" some of its stranded Russian assets to a Deripaska-linked company in Russia in exchange for Deripaska's frozen Strabag shares.[6] This plan was abandoned following the justified concerns of US authorities that it would *de facto* enable Deripaska to recuperate his frozen assets in Europe. The Commission's proposal, however, essentially revives the rightfully abandoned plan, signalling to Russian oligarchs that they have a viable path towards recuperating their frozen assets in Europe by seizing European assets in the Russian courts.

The representatives of 13 EU member states have justifiedly rejected the terms of this proposal. Concerningly, however, the Austrian government has threatened to veto the coming sanctions package unless RBI's compensation is included. It is crucial for the Commission to resist this pressure and to walk back on this plan. RBI has repeatedly put itself, its shareholders, and EU and Ukrainian security at risk by ignoring civil society and regulators' warnings over its operations in Russia. No company which engages in such irresponsible business conduct should be rewarded for its behaviour.

The EU made the bold and correct decision two years ago to freeze Russian assets in order to restrict the financial flows underpinning Russia's illegal war on Ukraine. It should not backtrack on

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[3] Eder, M., & Nardelli, A., Raiffeisen Bank Clients in Russia Help Supply Putin's War Machine, Bloomberg, February 2025
BankTrack, Raiffeisen Bank International subsidiary still invested in sanctioned Russian entities, find BankTrack and B4Ukraine, March 2025
[4] O'Donnell, J., & Schwarz-Goerlich, A., ECB to push Austria's Raiffeisen to cut back in Russia, Reuters, April 2024
[5] Eder, M., & Burden, L., Raiffeisen CEO says divesting Russia unit is 'not in our hands', Bloomberg, September 2025
[6] O'Donnell, J., & Schwarz-Goerlich, A., Austria's RBI drops bid for stake linked to Russian tycoon after US pressure, Reuters, May 2024

this commitment by awarding these assets to a company that has played an outsized role in financially enabling continued Russian aggression. We urge the Commission to drop this proposal and to pursue real accountability for the companies that continue to irresponsibly do business with the Russian aggressor.

Yours sincerely,

Asensio Rodriguez
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Nezir Sinani
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and:

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