

Company: Shell plc

Submission date: 15 May 2023

In response to:

On 6 May 2022, the Russian Ministry of Industry and Trade set [the list](#) of products and product categories for which “parallel imports” into Russia are allowed. The list, adopted in implementation of Russian Government Resolution No. 506 of 29 March 2022, allows the importation into Russia of products originally sold into other markets.

The parallel imports scheme is aimed at helping Russia bypass supply restrictions put in place by Western countries and companies in response to the invasion of Ukraine. The parallel imports list includes critical imports like warships, spare parts needed for railways and auto components as well as consumer goods like electronics and household appliances, clothing, footwear, and cosmetics. According to [multiple reports](#), Russia has been importing goods without the consent of their Western manufacturers for months.

Since Shell was added to the parallel imports [list](#) (paras. 7, 38 and 63) we would like to invite Shell to respond to the following questions:

1. Has your company put in place appropriate internal mechanisms and tools to carry out enhanced due diligence of your supply chains, intermediaries, customers and end-users to understand the risk of your products’ diversion to Russia? If yes, please provide details.
2. Does your company consider potential red flags that suggest the use of front companies that may hide the true end-users of your products and thereby evade sanctions and export controls? If yes, please provide details.

(Potential red flags may include companies registered recently; companies based in Armenia, Belarus, Turkey, Kazakhstan, Kyrgyzstan, Uzbekistan or other [countries helping Russia circumvent sanctions](#); companies making large orders of products within a short space of time; companies with obscure beneficial ownership structures, etc.)

3. Has your company taken any other actions to prevent re-export of your products to Russia?

Shell plc response:

On March 8, 2022, Shell announced its intent to withdraw from involvement in all Russian hydrocarbons, including crude oil, petroleum products, gas and LNG in a phased manner, aligned with government guidance. Shell also announced that it would immediately stop all spot purchases of Russian crude oil and would also shut its service stations, aviation fuels and lubricants operations in Russia. See the full statement [here](#).

In all its actions relating to the phased withdrawal from Russian hydrocarbons, Shell strives to act in full compliance with all applicable laws and regulations, including sanctions. For more detail and answers to specific questions on the war in Ukraine, please visit [Frequently asked questions | War in Ukraine](#).