



US plans sanctions over China's Russia aid, top Biden aide says

By: Iain Marlow | Jul 21 2024 at 05:33 PM | [International Trade](#)

US National Security Adviser Jake Sullivan said the US is preparing new sanctions on Chinese entities that support Russia's war in Ukraine, and hinted that banks may be in the cross-hairs.

"We think China should stop because we think it is profoundly outside of the bounds of decent conduct by nation states," Sullivan said Friday at the Aspen Security Forum in Colorado. "You can expect to see additional sanctions measures as we watch this picture continue to evolve in the coming weeks."

He pointed to President Joe Biden's executive order late last year that allowed the Treasury Department to go after banks facilitating dual-use items aiding Russia's defense industry, and added that these powers had not been granted for nothing.

"We put that in place so that when we find a bank that we feel falls within that sanctions regime, we can do something about it," Sullivan said. "I don't have a prediction today, but I will just tell you that we have, over time, put the tools together to be able to respond to this kind of behavior. And we will respond to this kind of behavior."

The comments are the latest warning that the Biden administration is considering additional measures to stop what it says are Chinese firms helping Russia's defense industrial base, which has rebounded after being hit by Western sanctions. The US says China still isn't providing direct lethal support to Russia, but NATO leaders at their summit a week ago called China a "decisive enabler" of Russia's war.

While other senior US officials — including Secretary of State Antony Blinken and Treasury Secretary Janet Yellen — have warned Beijing about potential sanctions, Sullivan's comments suggest new steps are near.

Allied nations are growing more concerned that Beijing is edging closer to providing the sort of lethal aid that western officials have warned against. Most notably, Chinese and Russian companies are developing an attack drone similar to an Iranian model deployed in Ukraine, European officials familiar with the matter said earlier this month.

Beijing has been responsive when the US approaches with specific evidence of a financial transaction that violates US-led sanctions against Russia, but “writ large, the picture is not pretty,” with Chinese firms continuing to help Russia’s war machine, Sullivan said.



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