The New US Russia Sanctions Regime: Assessing Economic Coercion Under International Law

1 OCTOBER 2026

Aliki Efstathiou



Photo by Alexandra Tran on Unsplash

A new Chapter for Secondary Sanctions?

On 18 September 2026, US President signed into law the Lindsey O. Graham Sanctioning Russia and Iran Act of 2026, introducing new sanctions and tariff measures targeting Russia and certain third States. Alongside additional duties of up to 500% on Russian-origin goods, the Act calls for additional duties of up to 100% on imports from countries meeting specified criteria, including countries that knowingly make new purchases of Russian

crude oil or natural gas and were among the five largest importers, by total volume, during the 12-month period preceding enactment.

The US has employed sanctions for decades, increasingly using restrictions on access to the US market and financial system to pressure foreign actors to alter their dealings with sanctioned States. The 2026 Act nevertheless provides a timely opportunity to revisit the international-law implications of this practice. Most notably, rather than merely restricting particular transactions or entities, it mandates tariffs of up to 100% to be imposed on third countries on the basis of their economic relations with Russia.

Multilateral sanctions adopted by the UN Security Council under the UN Charter rest on an express collective authority. Unilateral sanctions, like this, by contrast, remain considerably more contested. The ICJ's jurisprudence in *Nicaragua v United States* did not find that the US economic measures at issue breached the customary principle of non-intervention, although it found treaty violations arising from the trade embargo

Secondary sanctions, such as those introduced by the 2026 Act, present additional problems. Rather than regulating the sanctioning State's own economic relations with the target, they seek to influence dealings between the target State and third States. Traditionally, this has meant pressuring foreign companies or individuals, which must choose between continuing to deal with the sanctioned State and retaining access to the US market or financial system. Increasingly, however, the consequences extend to the economic policies of the States in which they operate. The 2026 Act provides a particularly clear example of this development.

When Does Economic Pressure Become Coercion?

Article 2(7) of the UN Charter provides an important starting point, but it does not establish a detailed prohibition governing unilateral economic coercion between States. The more direct legal basis lies in customary international law, which condemns economic or political measures that coerce a State into subordinating its sovereign rights In *Nicaragua (para 205)*, the ICJ recognised non-intervention as a customary rule and linked unlawful intervention to coercive interference with matters in which a State is entitled to decide freely.

Economic pressure, however, does not automatically amount to unlawful intervention. The difficulty lies in assessing when economic pressure becomes sufficiently coercive to raise concerns under the principle of non-intervention, particularly where it begins to constrain another State's freedom to determine its own economic relations.

Market Access as Leverage

The 2026 Act illustrates this problem. The US can argue that the tariffs merely regulate access to its own market, giving the measure a territorial

jurisdictional connection. Restrictions on access to a State's own market are easier to justify than penalties imposed directly on foreign conduct occurring entirely abroad. But jurisdiction does not necessarily resolve the separate question of non-intervention. The relevant issue is not simply where the tariff operates, but what the economic power wants to achieve.

The Act makes access to the US market more costly depending on the external economic choices of third States. This is especially significant for China and India, which could be among the States affected by their continued purchases of Russian oil. The measure therefore moves beyond pressuring an individual company to comply with US policy: it uses market access to encourage sovereign States to reconsider their own external economic relations, thereby raising questions concerning the principle of sovereignty.

The political objective is consequently relevant to the legal analysis. The Act is not simply concerned with protecting the US market from Russian goods. Its secondary mechanism seeks to induce third States to alter their external economic relations, something also confirmed by the House Ways and Means Committee itself. The measure thus openly uses an existing imbalance of economic power. This makes the coercive dimension of the measure difficult to disregard.

Even if the tariffs could be justified under WTO law, a possibility that appears unlikely[vi], this would not settle the separate question of non-intervention: WTO law concerns US treaty obligations, while non-intervention concerns the limits of coercive intervention in the affairs of another sovereign State.

The 2026 Act does not therefore make secondary sanctions unlawful merely because they exert economic pressure. Its significance lies in the direction in which secondary sanctions are developing. As they move from targeting companies and individuals towards influencing the economic policies of sovereign States, their increasing intrusiveness brings them closer to the difficult boundary between legitimate economic pressure and unlawful intervention. In my view, the more a measure seeks to make the exercise of that sovereign choice economically impossible or prohibitively costly, the stronger the argument that the measure is not merely regulating access to the US market but attempting to influence a matter belonging to another State's sovereign sphere.

The central question is ultimately whether control can legitimately be transformed into an instrument for determining how another sovereign State conducts its external economic relations. The 2026 Act brings that question into unusually sharp focus. As secondary sanctions increasingly move towards influencing States themselves, it will be particularly interesting to see how future sanctions legislation develops.

Köchler, H.(2019). *Sanctions and international law*.IPO Research Papers.

International Court of Justice.(1986). *Military and paramilitary activities in and against Nicaragua (Nicaragua v. United States of America): Merits, judgment*. *I.C.J. Reports 1986*, 14, paras. 243–245.

UNGA(1965) Res.2131(XX); UNGA.(1970) Res.2625(XXV).

Ruys, T., &Ryngaert C., (2020). Secondary sanctions: A weapon out of control? The international legality of, and European responses to, US secondary sanctions. *British Year Book of International Law, 89*(1),12–127.

U.S. House Committee on Ways and Means.(2026,September 16).

See World Trade Organization. (2019).*Russia—Measures concerning traffic in transit*(WT/DS512/R).

EPIS