The project studies the current economic sanctions imposed by the European Union to the Russian Federation after its annexation of Crimea (Ukraine) in March 2014. It addresses the different types of sanctions that have been historically used and the main objectives pursued by the sanctions. A broad description is done comprising the chronology of the sanction imposition and Russian Federation countermeasures banning the imports of some European Union products. The empirical assessment of the expected costs that each party will support is covered. A quantitative analysis is included in order to show the reduction of bilateral commerce between the European Union and the Russian Federation on some of the affected products, as well as, the increase in Russian Federation’s trade with new commercial partners to substitute the banned products.