

# Definition of criminal offences and penalties for the violation of Union restrictive measures

2022/0398(COD) - 29/04/2024 - Final act

**PURPOSE:** to establish common minimum rules concerning the definitions of offences related to the violation of Union restrictive measures and the availability of effective, dissuasive and proportionate criminal penalties for criminal offences related to the violation of Union restrictive measures.

**LEGISLATIVE ACT:** Directive (EU) 2024/1226 of the European Parliament and of the Council on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.

**CONTENT:** the directive provides **EU-wide minimum rules** for the prosecution of violation or circumvention of EU sanctions in Member States.

## *Violation of Union restrictive measures*

Where it is **intentional** and in violation of a prohibition or an obligation that constitutes a Union restrictive measure or that is set out in a national provision implementing a Union restrictive measure, the following conduct constitutes a criminal offence:

- making funds or economic resources available directly or indirectly to, or for the benefit of, a designated person, entity or body in violation of a prohibition that constitutes a Union restrictive measure;
- failing to freeze funds or economic resources belonging to or owned, held or controlled by a designated person, entity or body in violation of an obligation that constitutes a Union restrictive measure;
- enabling designated natural persons to enter into, or transit through, the territory of a Member State, in violation of a prohibition that constitutes a Union restrictive measure;
- trading, importing, exporting, selling, purchasing, transferring, transiting or transporting goods, as well as providing brokering services, technical assistance or other services relating to those goods;
- providing financial services or performing financial activities, where the prohibition or restriction of that conduct constitutes a Union restrictive measure.

**Circumventing** an EU restrictive measure, for example, will also be considered a criminal offence:

- the practice by designated persons, entities or bodies of using, transferring to a third party, or otherwise disposing of, funds or economic resources directly or indirectly owned, held, or controlled by a designated person, entity or body, which are to be frozen pursuant to a Union restrictive measure, in order to conceal those funds or economic resources;
- the practice of providing false or misleading information, including incomplete relevant information, in order to conceal that a designated person, entity or body is the ultimate owner or beneficiary of funds or economic resources subject to Union restrictive measures also amounts to a circumvention of Union restrictive measures.

**Inciting**, and aiding and abetting the commission of a criminal offence under this Directive will be criminalised.

Member States will be able to decide that violations of Union restrictive measures involving funds, economic resources, goods, services, transactions or activities of a value of less than EUR 10 000 do not constitute criminal offences.

### ***Penalties***

As regards **natural persons**, criminal offences will be punishable by **effective, proportionate and dissuasive criminal penalties**. They will be punishable by a maximum term of imprisonment of at least **one year** where they involve funds or economic resources of a value of at least EUR 100 000. The most serious offences will carry a maximum prison sentence of at least **5 years**. In addition to imprisonment, persons who have infringed EU restrictive measures may be fined.

**Legal persons** may also be held liable where an offence has been committed by a person exercising a leading position within the organisation. In such cases, sanctions may include exclusion from access to public funding, including tendering procedures, prohibition from engaging in commercial activity, withdrawal of permits and authorisations to engage in economic activities or closure of establishments used to commit the criminal offence.

### ***Freezing and confiscation***

Member States will take the necessary measures to enable the freezing and confiscation of instrumentalities and proceeds from the criminal offences.

### ***Limitation period***

Member States will take the necessary measures to provide for a limitation period that enables the investigation, prosecution, trial and adjudication of criminal offences for a sufficient period of time after the commission of those criminal offences, in order for those criminal offences to be tackled effectively.

The limitation period will be of **at least five years** from the commission of a criminal offence punishable by a maximum term of imprisonment of at least five years.

### ***Cooperation***

Member States, Europol, Eurojust, the European Public Prosecutor's Office and the Commission must cooperate, within the limits of their respective competences, in the fight against criminal offences.

ENTRY INTO FORCE: 18.5.2024.

TRANSPOSITION: no later than 20.5.2025.