

Provisional text

JUDGMENT OF THE COURT (First Chamber)

21 May 2026 (\*)

( Reference for a preliminary ruling – Common foreign and security policy – Restrictive measures taken in view of the military aggression against Ukraine – Regulation (EU) No 269/2014 – Article 2(1) – Freezing of funds and economic resources – Setting up of a trust – Settlor of the trust included on the list in Annex I to Regulation No 269/2014 – Freezing of the funds and economic resources held in the trust – Concepts of ‘belonging to’ and ‘control’ )

In Case C-483/23,

REQUEST for a preliminary ruling under Article 267 TFEU from the Tribunale amministrativo regionale per il Lazio (Regional Administrative Court, Lazio, Italy), made by decision of 11 April 2023, received at the Court on 26 July 2023, in the proceedings

**A,**

**B,**

**C,**

**D,**

**T**

**v**

**Ministero dell’Economia e delle Finanze,**

**Comitato di Sicurezza Finanziaria,**

**Agenzia del Demanio,**

THE COURT (First Chamber),

composed of F. Biltgen, President of the Chamber, T. von Danwitz, Vice-President of the Court, acting as Judge of the First Chamber, I. Ziemele (Rapporteur), A. Kumin and S. Gervasoni, Judges,

Advocate General: M. Campos Sánchez-Bordona,

Registrar: G. Chiapponi, Administrator,

having regard to the written procedure and further to the hearing on 8 May 2025,

after considering the observations submitted on behalf of:

- A, B, C, D and T, by F. Centonze, F. Ciancio, G. Lovaste, M. Magnano, A. Neri, A. Saccucci and F. Sciaudone, avvocati,
- the Italian Government, by S. Fiorentino and G. Palmieri, acting as Agents, and by P. Gentili and L. Paolucci, avvocati dello Stato,
- the Belgian Government, by A. De Brouwer, C. Pochet and M. Van Regemorter, acting as Agents,
- the German Government, by J. Möller, acting as Agent,
- the French Government, by B. Fodda, E. Timmermans and B. Travard, acting as Agents,

- the Netherlands Government, by M.K. Bulterman and A. Hanje, acting as Agents,
- the Finnish Government, by M. Pere, acting as Agent,
- the European Commission, by D. Bianchi, M. Carpus-Carcea, H. Krämer and L. Puccio, acting as Agents,

after hearing the Opinion of the Advocate General at the sitting on 10 July 2025,

gives the following

### **Judgment**

1 This request for a preliminary ruling concerns the interpretation of Article 2(1) of Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (OJ 2014 L 78, p. 6), as amended by Council Regulation (EU) 2022/330 of 25 February 2022 (OJ 2022 L 51, p. 1) ('Regulation No 269/2014').

2 The request was made in proceedings between, A, B, C, D and T, on the one hand, and the Ministero dell'Economia e delle Finanze (Ministry of Economy and Finance, Italy) ('the Ministry'), the Comitato di Sicurezza Finanziaria (Financial Security Committee, Italy) and the Agenzia del Demanio (State Property Agency, Italy), on the other, concerning the freezing of the shares and assets of the companies A, B, C and D.

### **Legal context**

#### ***International law***

3 Article 2 of the Convention on the Law Applicable to Trusts and on their Recognition, concluded in The Hague on 1 July 1985 ('the Hague Convention'), which has been signed and ratified by the Italian Republic, provides:

'For the purposes of this Convention, the term "trust" refers to the legal relationships created – *inter vivos* or on death – by a person, the settlor, when assets have been placed under the control of a trustee for the benefit of a beneficiary or for a specified purpose.

A trust has the following characteristics[:]

- (a) the assets constitute a separate fund and are not a part of the trustee's own estate;
- (b) title to the trust assets stands in the name of the trustee or in the name of another person on behalf of the trustee;
- (c) the trustee has the power and the duty, in respect of which he is accountable, to manage, employ or dispose of the assets in accordance with the terms of the trust and the special duties imposed upon him by law.

The reservation by the settlor of certain rights and powers, and the fact that the trustee may himself have rights as a beneficiary, are not necessarily inconsistent with the existence of a trust.'

4 According to the first paragraph of Article 6 of that convention:

'A trust shall be governed by the law chosen by the settlor. The choice must be express or be implied in the terms of the instrument creating or the writing evidencing the trust, interpreted, if necessary, in the light of the circumstances of the case.'

5 Article 11 of that convention specifies:

‘A trust created in accordance with the law specified by the preceding Chapter shall be recognised as a trust.

Such recognition shall imply, as a minimum, that the trust property constitutes a separate fund, that the trustee may sue and be sued in his capacity as trustee, and that he may appear or act in this capacity before a notary or any person acting in an official capacity.

In so far as the law applicable to the trust requires or provides, such recognition shall imply, in particular[:]

- (a) that personal creditors of the trustee shall have no recourse against the trust assets;
- (b) that the trust assets shall not form part of the trustee’s estate upon his insolvency or bankruptcy;
- (c) that the trust assets shall not form part of the matrimonial property of the trustee or his spouse nor part of the trustee’s estate upon his death;
- (d) that the trust assets may be recovered when the trustee, in breach of trust, has mingled trust assets with his own property or has alienated trust assets.

However, the rights and obligations of any third party holder of the assets shall remain subject to the law determined by the choice of law rules of the forum.’

#### ***European Union law***

##### *Decision 2014/145/CFSP*

6 Recitals 1, 4 and 5 of Council Decision 2014/145/CFSP of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (OJ 2014 L 78, p. 16) state:

‘(1) On 6 March 2014, the Heads of State or Government of the [European] Union’s Member States strongly condemned the unprovoked violation of Ukrainian sovereignty and territorial integrity by the Russian Federation and called on the Russian Federation to immediately withdraw its armed forces to the areas of their permanent stationing, in accordance with the relevant agreements. ... The Heads of State or Government considered that the decision by the Supreme Council of the Autonomous Republic of Crimea to hold a referendum on the future status of the territory is contrary to the Ukrainian Constitution and therefore illegal.

...

(4) In the current circumstances, travel restrictions and an asset freeze should be imposed against persons responsible for actions which undermine or threaten the territorial integrity, sovereignty and independence of Ukraine, including actions on the future status of any part of the territory which are contrary to the Ukrainian Constitution, and persons, entities or bodies associated with them.

(5) Further action by the [European] Union is needed in order to implement certain measures[.]’

##### *Decision (CFSP) 2022/337*

7 In response to the aggression against Ukraine by the Russian Federation on 24 February 2022 and in view of the gravity of the situation, on 28 February 2022, the Council of the European Union adopted Decision (CFSP) 2022/337 amending Decision 2014/145/CFSP concerning restrictive

measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (OJ 2022 L 59, p. 1), by means of which twenty-six persons and one entity were added to the list of persons, entities and bodies subject to restrictive measures in the Annex to Decision 2014/145.

*Regulation No 269/2014*

8 Recitals 4 to 6 of Regulation No 269/2014 state:

‘(4) On 17 March 2014, the Council adopted Decision 2014/145/CFSP providing for travel restrictions and for the freezing of funds and economic resources of certain persons responsible for actions which undermine or threaten the territorial integrity, sovereignty and independence of Ukraine, including actions on the future status of any part of the territory which are contrary to the Ukrainian Constitution, and natural or legal persons, entities or bodies associated with them. Those natural or legal persons, entities and bodies are listed in the Annex to that Decision.

(5) Some of those measures fall within the scope of the [FEU] Treaty and, therefore, in particular with a view to ensuring their uniform application in all Member States, regulatory action at the level of the [European] Union is necessary in order to implement them.

(6) This Regulation respects the fundamental rights and observes the principles recognised in particular by the Charter of Fundamental Rights of the European Union and in particular the right to an effective remedy and to a fair trial and the right to the protection of personal data. This Regulation should be applied in accordance with those rights and principles.’

9 Article 1 of that regulation provides:

‘For the purposes of this Regulation, the following definitions apply:

...

(d) “economic resources” means assets of every kind, whether tangible or intangible, movable or immovable, which are not funds but may be used to obtain funds, goods or services;

(e) “freezing of economic resources” means preventing the use of economic resources to obtain funds, goods or services in any way, including, but not limited to, by selling, hiring or mortgaging them;

(f) “freezing of funds” means preventing any move, transfer, alteration, use of, access to, or dealing with funds in any way that would result in any change in their volume, amount, location, ownership, possession, character, destination or any other change that would enable the funds to be used, including portfolio management;

(g) “funds” means financial assets and benefits of every kind, including, but not limited to:

(i) cash, cheques, claims on money, drafts, money orders and other payment instruments;

(ii) deposits with financial institutions or other entities, balances on accounts, debts and debt obligations;

(iii) publicly- and privately traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures and derivatives contracts;

(iv) interest, dividends or other income on or value accruing from or generated by assets;

(v) credit, right of set-off, guarantees, performance bonds or other financial commitments;

- (vi) letters of credit, bills of lading, bills of sale; and
- (vii) documents showing evidence of an interest in funds or financial resources;
- ...'

10 Article 2 of that regulation provides:

'1. All funds and economic resources belonging to, owned, held or controlled by any natural or legal persons, entities or bodies, or natural or legal persons, entities or bodies associated with them, as listed in Annex I, shall be frozen.

2. No funds or economic resources shall be made available, directly or indirectly, to or for the benefit of natural or legal persons, entities or bodies, or natural or legal persons, entities or bodies associated with them, as listed in Annex I.'

11 Article 3(1) of that regulation provides:

'Annex I shall include:

(a) natural persons responsible for, supporting or implementing actions or policies which undermine or threaten the territorial integrity, sovereignty and independence of Ukraine, or stability or security in Ukraine, or which obstruct the work of international organisations in Ukraine;

...

(d) natural or legal persons, entities or bodies supporting, materially or financially, or benefiting from Russian decision-makers responsible for the annexation of Crimea or the destabilisation of Ukraine;

(e) natural or legal persons, entities or bodies conducting transactions with the separatist groups in the Donbas region of Ukraine;

(f) natural or legal persons, entities or bodies supporting, materially or financially, or benefiting from the Government of the Russian Federation, which is responsible for the annexation of Crimea and the destabilisation of Ukraine; or

(g) leading businesspersons or legal persons, entities or bodies involved in economic sectors providing a substantial source of revenue to the Government of the Russian Federation, which is responsible for the annexation of Crimea and the destabilisation of Ukraine,

and natural or legal persons, entities or bodies associated with them.'

12 According to Article 9 of Regulation No 269/2014:

'It shall be prohibited to participate, knowingly and intentionally, in activities the object or effect of which is to circumvent the measures referred to in Article 2.'

*Implementing Regulation (EU) 2022/336*

13 On 28 February 2022, the Council adopted Implementing Regulation (EU) 2022/336 implementing Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (OJ 2022 L 58, p. 1), by means of which twenty-six persons and one entity were added to the list of persons, entities and bodies subject to restrictive measures in Annex I to Regulation No 269/2014.

14 Recitals 5 to 11 of that implementing regulation state:

(5) On 24 January 2022, the Council approved conclusions in which it condemned Russia's continued aggressive actions and threats against Ukraine, and called on Russia to de-escalate, to abide by international law and to engage constructively in dialogue through the established international mechanisms. The Council reaffirmed the [European] Union's full commitment to the core principles on which European security is built, enshrined in the United Nations (UN) Charter and the founding documents of the Organisation for Security and Co-operation in Europe, including the Helsinki Final Act and the Charter of Paris. These core principles include, in particular, the sovereign equality and territorial integrity of States, the inviolability of frontiers, refraining from the threat or use of force, and the freedom of States to choose or change their own security arrangements. The Council stated that those principles are neither negotiable nor subject to revision or re-interpretation and that their violation by Russia is an obstacle to a common and indivisible security space in Europe and threatens peace and stability on the European continent. Recalling the European Council conclusions of 16 December 2021, the Council reiterated that any further military aggression by Russia against Ukraine would have massive consequences and severe costs, including a wide array of sectoral and individual restrictive measures that would be adopted in coordination with partners.

(6) On 19 February 2022, the High Representative issued a declaration on behalf of the [European] Union expressing concern over the massive build-up of Russian armed forces in and around Ukraine, and urged Russia to engage in meaningful dialogue and diplomacy, show restraint and de-escalate by a substantial withdrawal of military forces from the proximity of Ukraine's borders. ...

(7) On 21 February 2022, the President of the Russian Federation signed a decree recognising the "independence and sovereignty" of the non-government-controlled areas of the Donetsk and Luhansk oblasts of Ukraine, and ordered the Russian armed forces into those areas.

(8) On 22 February 2022, the High Representative issued a declaration on behalf of the [European] Union condemning that illegal act, which further undermines Ukraine's sovereignty and independence and is a severe breach of international law and international agreements, including the UN Charter, the Helsinki Final Act, the Paris Charter and the Budapest Memorandum, as well as of the Minsk Agreements and of UN Security Council Resolution 2202 (2015). The High Representative urged Russia, as a party to the conflict, to reverse that recognition, uphold its commitments, abide by international law and return to the discussions within the Normandy format and the Trilateral Contact Group. He announced that the [European] Union would respond to these latest violations by Russia by adopting additional restrictive measures as a matter of urgency.

(9) On 24 February 2022, the President of the Russian Federation announced a military operation in Ukraine and Russian armed forces began an attack on Ukraine. That attack is a blatant violation of the territorial integrity, sovereignty and independence of Ukraine.

(10) On 24 February 2022, the High Representative issued a declaration on behalf of the [European] Union condemning in the strongest possible terms the unprovoked invasion of Ukraine by armed forces of the Russian Federation and the involvement of Belarus in this aggression against Ukraine. The High Representative indicated that the [European] Union's response will include both sectoral and individual restrictive measures.

(11) On 24 February 2022, the European Council condemned in the strongest possible terms the Russian Federation's unprovoked and unjustified military aggression against Ukraine. By its illegal military actions, Russia is grossly violating international law and the principles of the UN Charter, and undermining European and global security and stability. The European Council agreed on further restrictive measures that will impose massive and severe consequences on Russia for its actions, in close coordination with our partners and allies.'

*Directive 2015/849*

15 Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ 2015 L 141, p. 73), as amended by Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 (OJ 2018 L 156, p. 43) ('Directive 2015/849'), states as follows in recital 14:

'The need for accurate and up-to-date information on the beneficial owner is a key factor in tracing criminals who might otherwise hide their identity behind a corporate structure. ...'

16 Article 3 of that directive provides:

'For the purposes of this Directive, the following definitions apply:

...

(6) "beneficial owner" means any natural person(s) who ultimately owns or controls the customer and/or the natural person(s) on whose behalf a transaction or activity is being conducted and includes at least:

...

(b) in the case of trusts, all [the] following persons:

(i) the settlor(s);

(ii) the trustee(s);

(iii) the protector(s), if any;

(iv) the beneficiaries or[,] where the individuals benefiting from the legal arrangement or entity have yet to be determined, the class of persons in whose main interest the legal arrangement or entity is set up or operates;

(v) any other natural person exercising ultimate control over the trust by means of direct or indirect ownership or by other means;

...'

*Best Practices*

17 The Council has drawn up a document on the best practices to be put in place between the various Member States in relation to the implementation of restrictive measures, which has been updated, in particular on 4 May 2018 (document 8519/18), 27 June 2022 (document 10572/22) and 3 July 2024 (document 11623/24).

18 Council document 11623/24, entitled 'EU Best Practices for the effective implementation of restrictive measures', in the 3 July 2024 version of that document ('the Best Practices'), provides, in paragraph 3, that the Best Practices must be regarded as being non-exhaustive recommendations of a general nature for effective implementation of restrictive measures in accordance with applicable EU law and national legislation. They are not legally binding and should not be read as recommending any action which would be incompatible with applicable EU law or national laws, including those concerning data protection.

19 Section B of the Best Practices includes Part III, entitled 'Scope of financial restrictive measures', containing paragraphs 34 and 35, which are worded as follows:

'34. The freezing covers all funds and economic resources belonging to or owned by designated persons and entities, and also ... those held or controlled by such persons and entities. Holding or controlling should be construed as comprising all situations where, without having a title of ownership, a designated person or entity is able lawfully to dispose of or transfer funds or economic resources he, she or it does not own, without any need for prior approval by the legal owner. ...

35. In principle, the freezing should not affect funds and economic resources which are neither owned by or belonging to, nor held or controlled by designated persons and entities. ... In the same vein, the funds and economic resources of a non-designated entity having separate legal personality from a designated person or entity are not covered, unless they are controlled or held by the designated person or entity. However, even so, funds and economic resources jointly owned by a designated person or entity and a non-designated one are in practice covered in their entirety.'

20 Section B also includes Part VIII which contains, inter alia, paragraphs 62 to 67 of the Best Practices, according to which:

'Rationale

62. The funds and economic resources belonging to, owned, held or controlled by a listed natural or legal person must be frozen. Under the conditions set forth in paragraph 35 this includes assets owned by [non-listed entities that] are owned or controlled by listed persons or entities.

Ownership

63. The criterion to be taken into account when assessing whether a legal person or entity is owned by another person or entity is the possession of 50% or more of the proprietary rights of an entity or having [a] majority interest in it. If this criterion is satisfied, it is considered that the legal person or entity is owned by another person or entity.

When assessing ownership, the aggregated ownership of the entity [should also] be taken into account. For example, if one designated person owns 30% of the entity and another designated [person] owns 25% of the entity, the entity should, in principle, be considered as owned by designated persons.

Control

64. The criteria to be taken into account when assessing whether a legal person or entity is controlled by another person or entity, alone or pursuant to an agreement with another shareholder or other third party, could include, inter alia:

- (a) having the right or exercising the power to appoint or remove a majority of the members of the administrative, management or supervisory body of such legal person or entity;
- (b) having appointed solely as a result of the exercise of [ones] voting rights a majority of the members of the administrative, management or supervisory bodies of a legal person or entity who have held office during the present and previous financial [years];
- (c) controlling alone, pursuant to an agreement with other shareholders in or members of a legal person or entity, a majority of shareholders' or members' voting rights in that legal person or entity;
- (d) having the right to exercise a dominant influence over a legal person or entity, pursuant to an agreement entered into with that legal person or entity, or to a provision in its Memorandum or

Articles of Association, where the law governing that legal person or entity permits its being subject to such agreement or provision;

- (e) having the power to, de facto, exercise the right to exercise a dominant influence referred to in point (d), without being the holder of that right [for example, by means of a shell company];
- (f) having the right to use all or part of the assets of a legal person or entity;
- (g) managing the business of a legal person or entity on a unified basis, while publishing consolidated accounts;
- (h) sharing jointly and severally the financial liabilities of a legal person or entity, or guaranteeing them.

65. If any of these criteria are satisfied, it is considered that the legal person or entity is controlled by another person or entity, unless the contrary can be established on a [case-by-case] basis.

66. The fulfilment of the above criteria of ownership or control may be refuted on a [case-by-case] basis.

67. The following examples describe circumstances that may qualify as indications that a designated person or entity has control over a non-designated entity. These examples are not exhaustive and are intended only as illustrative guidance:

...

(e) Use of trusts, shell companies and limited liability companies

– An entity is part of a needlessly complex corporate structure, potentially involving entities such as shell companies, limited liability companies and/or trusts linked to a designated person. Some of these entities were set up or changed their identity shortly before or after (if allowed by the relevant Council Regulations) the adoption of the sanctions regime or the person's designation, and/or have no credible business activity.

– One or several trusts are used as receiver(s) of assets from an entity owned or controlled by a designated person. The management of the trusts involves professionals from the jurisdiction where the trusts was/were formed.'

### ***Italian law***

21 In the Italian legal order, the possibility of using the trust mechanism is established by legge n. 364 – Ratifica ed esecuzione della convenzione sulla legge applicabile ai trusts e sul loro riconoscimento, adottata a L'Aja il 1<sup>o</sup> luglio 1985 (Law No 364 ratifying and implementing the Convention on the Law Applicable to Trusts and on their Recognition, concluded in The Hague on 1 July 1985) of 16 October 1989 (GURI No 261 of 8 November 1989, Ordinary Supplement No 84).

22 Under Article 3(6) of decreto legislativo n. 109 – Misure per prevenire, contrastare e reprimere il finanziamento del terrorismo e l'attività dei Paesi che minacciano la pace e la sicurezza internazionale, in attuazione della direttiva 2005/60/CE (Legislative Decree No 109 on measures to prevent, combat and suppress terrorist financing and the activities of countries that threaten peace and international security, transposing Directive 2005/60/EC) of 22 June 2007 (GURI No 172 of 26 July 2007), as amended by decreto legislativo n. 90 Attuazione della direttiva (UE) 2015/849 relativa alla prevenzione dell'uso del sistema finanziario a scopo di riciclaggio dei proventi di attività criminose e di finanziamento del terrorismo e recante modifica delle direttive 2005/60/CE e 2006/70/CE e attuazione del regolamento (UE) n. 2015/847 riguardante i dati informativi che accompagnano i

trasferimenti di fondi e che abroga il regolamento (CE) n. 1781/2006 (Legislative Decree No 90 transposing Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directives 2005/60/EC and 2006/70/EC and implementing Regulation (EU) 2015/847 on information accompanying transfers of funds and repealing Regulation (EC) No 1781/2006) of 25 May 2017 (GURI No 140 of 19 June 2017, Ordinary Supplement No 28) ('Legislative Decree No 109/2007'), the Financial Security Committee is responsible for adopting the freezing measures decided on by the United Nations (UN), by the European Union and by the Ministry of Economy and Finance under the legislation in force.

23 Article 5 of Legislative Decree No 109/2007 provides that frozen funds cannot be transferred, assigned or used in any way and that it is prohibited to make funds or economic resources available to listed persons or entities, directly or indirectly, or to use funds or economic resources for the benefit of such persons or entities.

### **The dispute in the main proceedings, the questions referred for a preliminary ruling and the procedure before the Court**

24 Companies A and B, which were incorporated in September 1970 and March 1983 respectively, are engaged in the property sector, while companies C and D, which were both incorporated in June 2014, provide, as regards company C, car rental and garaging services and, as regards company D, seasonal tourist support services.

25 Companies A, B, C and D are controlled by a parent company that has its registered office in Bermuda, which was placed in the trust at issue in the main proceedings, the current trustee of which is T, a Swiss trust company.

26 It is apparent from the order for reference that the trust at issue in the main proceedings was set up by the settlor by an instrument of 18 July 2007, which was amended on 22 December 2014, and that it is governed by the legislation of Bermuda. The structure of the trust also envisages the role of a protector, performed by a third party responsible for ensuring the correct implementation of the schedule established in the instrument setting up the trust, and the role of an appointor, responsible for appointing additional protectors or a replacement where an original protector ceases to act.

27 The trustee's task is essentially to manage and administer the assets held in the trust in accordance with the provisions of the instrument setting it up and of the legislation governing it, and to transfer those assets to the beneficiaries when the trust expires or in compliance with its terms. According to the information provided by the referring court, under the instrument setting up the trust, save as provided for in that instrument, the trustee is not authorised to dispose of the assets held in the trust without the written consent of the protector, a circumstance which, according to the referring court, confirms that the trustee does not enjoy the full extent of the rights that generally belong to the owner of an asset.

28 It is also apparent from the order for reference that, originally, the settlor was one of the trust beneficiaries, together with his sister, his nephew and his issue, of which, on the date of the order for reference, there were none, as well as other beneficiaries.

29 By an instrument of 19 December 2017, the settlor's sister and nephew were excluded from the group of trust beneficiaries.

30 The referring court states that, by an instrument of 7 February 2022, the settlor was excluded from the group of trust beneficiaries and that, on the date of the order for reference, it was not apparent from the instrument setting up the trust either that the settlor could be reinstated as one of

the beneficiaries of the trust or that he had powers to manage or use the funds and economic resources held in it, management of which had been assigned to the trustee. Since he has been permanently excluded from the group of trust beneficiaries, the settlor is no longer entitled to be transferred resources held in the trust pursuant to the instrument setting it up.

31 It is also apparent from the order for reference that, as at the date of that order, no other beneficiary of the trust had been excluded from the group of trust beneficiaries.

32 By Decision 2022/337 and Implementing Regulation 2022/336, the Council included the settlor on the list of persons, entities and bodies subject to restrictive measures in the Annex to Decision 2014/145 and in Annex I to Regulation No 269/2014.

33 By decision notified to the legal representative of companies A, B, C and D on 16 March 2022, the Financial Security Committee, pursuant to Article 2 of Regulation No 269/2014 and to Legislative Decree No 109/2007, declared the shares and assets belonging to those companies to be frozen, to the extent that they were ‘indirectly attributable [to the settlor]’. That committee found that the economic resources ascribable in Italy to those companies, as companies controlled in their entirety by the parent company, were in reality substantially attributable to the settlor, since, according to the information provided by the Guardia di Finanza (Financial Police, Italy), which came from communications sent to it by an Italian bank, the settlor was the beneficial owner of those companies.

34 On 11 May 2022, the companies A, B, C, D and T brought an action before the Tribunale amministrativo regionale per il Lazio (Regional Administrative Court, Lazio, Italy), which is the referring court, seeking annulment of that asset-freezing decision, claiming that, because the settlor had been excluded from the group of trust beneficiaries, the placing of the parent company in the trust had the effect of completely separating the companies A, B, C and D from the settlor’s estate and from his sphere of influence. The ownership of the assets of those companies has been transferred to the trustee until such time as they are transferred to the trust beneficiaries, and the settlor has no direct or indirect power to manage or to exercise control over those assets.

35 The Ministry, for its part, submits that the fact of being placed in the trust, since it does not have the effect of a transfer, does not involve a complete severance of the link between the settlor and the assets and legal relationships held in the trust. That interpretation is confirmed by Article 3(6)(b)(i) of Directive 2015/849. In addition, even if, at the present time, the settlor is no longer considered to be a beneficiary of the trust, he could nevertheless recover ownership of the assets held in it, or again have disposal over them, in the event of those assets not being transferred to the trust beneficiaries on expiry of the trust, if, for example, they are disclaimed by the beneficiaries or if the trust is wound up before expiry.

36 The referring court wishes to ascertain whether Article 2(1) of Regulation No 269/2014 must be interpreted as meaning that the assets, economic resources and legal relationships placed in the trust by the settlor, who is included on the list in Annex I to that regulation, can be regarded as ‘belonging’ to the settlor, within the meaning of that provision, even though he is neither the user, the manager nor the final beneficiary thereof, or as belonging to a person ‘associated’ with the settlor or, ultimately, as being ‘controlled’ by the settlor himself.

37 In that regard, the referring court finds that a trust involves a temporary change in the formal holder of an asset rather than a true transfer of ownership in the substantive sense. The setting up of a trust is not intended to increase the property rights of the trustee, since the assets and rights held in the trust are separate from the trustee’s estate, but has as its main objective to serve the interests of the settlor, by separating the settlor’s personal estate from the fund comprising the assets and

rights held in trust, while at the same time relieving the settlor of the burdens of management, which, with the formal transfer of those assets and rights, pass to the trustee.

38 However, the fact that the assets held in the trust are formally registered in the name of the trustee cannot be completely ignored, since, under Article 2 of the Hague Convention, that registration is one of the characteristics of the trust. Indeed, the trustee, a separate person from the settlor, has power to dispose of those assets, which is the main prerogative of an owner, subject to complying with the restrictions laid down in the instrument setting up the trust, and to transfer the assets to the beneficiaries, in accordance with that instrument.

39 The referring court considers that the concept of ‘belonging to’, within the meaning of Article 2(1) of Regulation No 269/2014, may refer not only to full and exclusive ownership but also to ‘atypical’ or ‘hybrid’ situations, such as the placing of an asset in a trust, in which an asset may be described as ‘belonging substantially or indirectly to’ the person concerned. The placing of assets in a trust does not have the effect of permanently severing the link of ‘belonging’ between the assets placed in the trust and the settlor, and the latter is in practice in a position to exercise substantial influence over those assets. That influence flows from the fact that formal ownership of those assets can be recovered in the event of the trust being terminated before expiry or of the beneficiaries refusing to accept a transfer of those assets, and from the fact that, by setting up the trust and assigning its management and control to persons enjoying the settlor’s confidence and chosen by the settlor, the latter is able to set the future directions for the use of those assets and how they will ultimately be applied. By contrast, the trustee cannot be regarded as being the beneficial owner of the assets held in the trust, since the trustee does not have the full and complete power of disposal which normally characterises the right of ownership.

40 That interpretation of the concept of ‘belonging to’ within the meaning of Article 2(1) of Regulation No 269/2014 is in line with the objective pursued by that Article 2 and takes account of the fact that, at least until the assets held in it are definitively assigned to third parties, a trust is a convenient mechanism for evading measures freezing funds and economic resources laid down by EU law. That interpretation is moreover confirmed by Article 3(6)(b) of Directive 2015/849, which refers to the situation in which the settlor of the trust, together with, in particular, the trustee or the beneficiaries of the trust, retains a significant link with the assets held in the trust, over the management of which that person is able to have some form of influence.

41 Furthermore, the referring court considers that if, according to the Court of Justice, in a situation such as that at issue in the main proceedings, the concept of ‘belonging to’ cannot cover the settlor’s circumstances, it would nevertheless remain to be ascertained whether the settlor can be regarded as being an ‘associated’ person within the meaning of Article 2(1) of Regulation No 269/2014, or as exercising ‘control’ over the assets in the trust within the meaning of that provision. In that regard, the referring court notes that the settlor may be regarded as being able to exercise decisive influence over the assets held in the trust, as a result of the power to set up the trust and, in doing so, to appoint the persons responsible for the management and supervision of the trust, to determine the final purposes of the trust and to lay down the rules for the vesting of the assets and those relating to the ability to recover ownership of the assets held in the trust.

42 The referring court adds that, for the purposes of determining whether the settlor ‘controls’ the assets held in the trust, it is irrelevant that, pursuant to the instrument setting up the trust, the persons responsible for administering it, in particular the trustee or the protector, may change during its term, whether for extraordinary or other reasons, since any persons who might be called upon to replace them will act pursuant to the rules established by the settlor in the instrument setting up the trust.

43 In those circumstances, the Tribunale amministrativo regionale per il Lazio (Regional Administrative Court, Lazio) decided to stay the proceedings and to refer the following questions to the Court of Justice for a preliminary ruling:

‘(1) Should Article 2(1) of Regulation [No 269/2014] be interpreted as meaning that the freezing measure may also be taken in [respect] of [assets or resources placed in] a trust by [a] settlor indicated in Annex I to [that regulation] (designated or listed person), [where that settlor] is to be regarded as the [person] to whom the [assets] or those resources belong?’

(2) In the event of a negative reply [to the first question, should] Article 2(1) of Regulation [No 269/2014] be interpreted as meaning that the freezing measure may also be taken in [respect] of [assets or resources placed in] a trust by [a] settlor indicated in Annex I to [that regulation] (designated or listed person), [where that settlor] is to be regarded as [a person] associated with the person to whom the [assets] or resources belong?’

(3) In the event of a negative reply [to the second question, should] Article 2(1) of Regulation [No 269/2014] be interpreted as meaning that the freezing measure may also be taken in [respect] of [assets or resources placed in] a trust by [a] settlor indicated in Annex I to [that regulation] (designated or listed person), [where that settlor] is to be regarded as [a person controlling] the [assets] or the resources?’

44 In its written observations, the Italian Government submitted that, under the first paragraph of Article 275 TFEU, the Court does not have jurisdiction to interpret Regulation No 269/2014, which was adopted pursuant to the provisions relating to the European Union’s foreign and security policy, in particular Article 215 TFEU and the provisions laid down in Chapter 2 of Title V of the EU Treaty.

45 Questioned by the Court on whether it maintained the plea of lack of jurisdiction in the light, in particular, of the judgment of 10 September 2024, *Neves 77 Solutions* (C-351/22, EU:C:2024:723, paragraphs 39 and 40), the government in question expressly withdrew that plea at the hearing before the Court.

### **Consideration of the questions referred**

#### ***Preliminary observations***

46 By its questions, the referring court wishes to ascertain, in essence, whether Article 2(1) of Regulation No 269/2014 must be interpreted as meaning that a freezing measure may be adopted in respect of funds or economic resources placed in a trust by a settlor included on the list in Annex I to Regulation No 269/2014.

47 The referring court is enquiring of the Court of Justice as to the scope of Article 2(1) of Regulation No 269/2014 in a context in which the Italian authorities, on the basis of that provision, declared the freezing of the shares and assets belonging to four Italian companies, controlled by a parent company that has its registered office in Bermuda, where those shares and assets are held in the irrevocable trust set up in accordance with the law of Bermuda by the settlor, a person included on the list in Annex I to that regulation.

48 It must be recalled, in the first place, that the Italian Republic has ratified the Hague Convention.

49 According to Article 2 of that convention, the term ‘trust’ refers to the legal relationships created – *inter vivos* or on death – by a person, the settlor, when assets have been placed under the control of a trustee for the benefit of a beneficiary or for a specified purpose.

50 It is also apparent from Article 2 of that convention that trusts are characterised by the fact that the trust assets constitute a separate fund and are not part of the trustee's estate; that title to the trust assets stands in the name of the trustee or of another person on behalf of the trustee; and that trustees have the power and the duty, in respect of which they are accountable, to manage, employ or dispose of the assets in accordance with the terms of the trust and with the special duties imposed on them by law. Article 2 of the convention also provides that the reservation by the settlor of certain rights and powers, or the fact that the trustee may have rights as a beneficiary, are not necessarily inconsistent with the existence of a trust.

51 The referring court states, in that regard, that the trust at issue in the main proceedings was set up in accordance with the customary model, according to which title to the assets placed in the trust by the settlor stands in the name of the trustee, and the latter administers and manages those assets in accordance with the instrument setting up the trust, which must comply with the law governing the trust, and makes the final transfer to the beneficiaries, who acquire full ownership of those assets on the date of the transfer.

52 In the second place, it is apparent from the order for reference that the parent company which exercises complete control over companies A, B, C and D was placed in the trust by the settlor, with the effect that those companies are also placed under the control of the trust. The settlor has no power to manage the assets and legal relationships placed in the trust, that power having been conferred on the trustee, and has no right to have the assets transferred to him under the instrument creating the trust, since he has been permanently excluded from the group of trust beneficiaries. The settlor is not the user of the assets and legal relationships held in the trust and does not perform other roles, such as that of protector. He is nevertheless, until the assets and legal relationships are transferred to the beneficiaries, capable of recovering ownership of them, in the event of the trust being terminated before expiry or of the beneficiaries refusing to accept a transfer of those assets and legal relationships.

53 It is in the light of those findings of fact, the accuracy of which it is not the Court's task to verify in the context of proceedings under Article 267 TFEU (see, to that effect, judgments of 16 March 1978, *Oehlschläger*, 104/77, EU:C:1978:69, paragraph 4, and of 19 June 2025, *Bulgarian posts*, C-785/23, EU:C:2025:462, paragraph 40), that the questions put by the referring court should be answered.

54 In the third place, it is apparent from the order for reference that the Italian authorities found that the economic resources of companies A, B, C and D, which were held on trust as companies controlled in their entirety by the parent company, were in reality substantially attributable to the settlor because, according to the information available to them, the settlor was the 'beneficial owner' of those companies, a circumstance which justified the adoption of freezing measures pursuant to Article 2(1) of Regulation No 269/2014.

55 In that regard, it should be noted that although the concept of 'beneficial owner' does not appear in the provisions of Regulation No 269/2014, it is to be found, in particular, in Directive 2015/849.

56 That directive provides, in Article 3(6)(b), that, for the purposes of the directive, 'beneficial owner' is defined as being any natural person(s) who ultimately owns or controls the customer and/or the natural person(s) on whose behalf a transaction or activity is being conducted, and includes at least, in the case of trusts, the settlor(s), the trustee(s), the protector(s) and the beneficiaries or, where the individuals benefiting from the legal arrangement or entity have yet to be determined, the class of persons in whose main interest the legal arrangement or entity is set up or

operates, and any other natural person exercising ultimate control over the trust by means of direct or indirect ownership or by other means.

57 While that definition, which accepts that persons involved in the trust other than the trustee, such as the settlor, the beneficiaries or the protector, may own or control the assets held in the trust, is, admittedly, set out for the purposes of applying Directive 2015/849, it nevertheless reflects the fact that the EU legislature recognises the essential characteristic of a trust, that is to say, the separation between the legal ownership and the beneficial ownership of the trust assets.

58 That separation gives rise to effects which should be taken into account not only in the field of preventing use of the financial system for the purposes of money laundering or terrorist financing but also in the field of restrictive measures taken under Regulation No 269/2014.

59 That being the case, it should be noted that the first and third questions relate to the concepts of ‘belonging to’ and of ‘control’ within the meaning of Article 2(1) of Regulation No 269/2014 and therefore concern the relationship between the settlor of the trust and the assets and resources held in it, whereas the second question relates to the concept of an ‘associated’ person and concerns the relationship between the settlor and that person. It is therefore appropriate to examine the first and third questions together, before, if necessary, answering the second question.

#### ***The first and third questions***

60 By its first and third questions, the referring court asks, in essence, whether Article 2(1) of Regulation No 269/2014 must be interpreted as meaning that the funds and economic resources placed in a trust by the settlor of that trust, a person included on the list in Annex 1 to that regulation, must be regarded as belonging to or as being controlled by that settlor within the meaning of that provision.

61 In that regard, it should be recalled that Article 2(1) of Regulation No 269/2014 provides that all funds and economic resources belonging to, owned, held or controlled by any natural or legal persons, entities or bodies, or natural or legal persons, entities or bodies associated with them, as listed in Annex I to that regulation, are to be frozen.

62 Although the concepts of ‘economic resources’, ‘freezing of economic resources’, ‘freezing of funds’ and ‘funds’ are defined in points (d) to (g) respectively of Article 1 of Regulation No 269/2014, that regulation neither contains any definition of the concepts used in Article 2(1) thereof, relating to the link between the person included on the list in Annex I to that regulation and the funds and economic resources that should be frozen, nor makes reference to national laws to determine their scope.

63 According to settled case-law, it follows both from the need for a uniform application of EU law and from the principle of equality that a provision of EU law which makes no express reference to the law of the Member States for the purpose of determining its meaning and scope must normally be given an independent and uniform interpretation throughout the European Union, having regard not only to the wording of that provision but also to the context in which it occurs and the objectives pursued by the rules of which it is part (judgments of 18 January 1984, *Ekro*, 327/82, EU:C:1984:11, paragraph 11, and of 11 September 2025, *Banco Santander (Resolution of Banco Popular III)*, C-687/23, EU:C:2025:687, paragraph 46 and the case-law cited).

64 As regards the wording of Article 2(1) of Regulation No 269/2014, it must be noted that the provision is worded differently in its various language versions. As the Advocate General notes in point 67 of his Opinion, a number of the different language versions of that provision, such as those in English, French, German, Italian, Latvian and Romanian (*‘appartenant aux ... possèdent, détiennent*

*ou contrôlent*’; *‘Eigentum, Besitz, gehalten oder kontrolliert werden*’; *‘appartenenti a, posseduti, detenuti o controllati*’; *‘īpašumā, valdījumā, turējumā vai pārziņā*’; and *‘aparțin, se află în proprietatea ori posesia sau sunt controlate*’), refer to four types of relationship between the person, entity or body included on the list in Annex I to that regulation and the assets and economic resources concerned, whereas the version of that provision in Spanish provides for only three types of relationship between them (*‘propiedad, tenencia o control*’).

65 It is also clear from a comparison of the language versions that refer to four types of relationship that the concepts used in one of those versions do not necessarily each correspond to an equivalent concept in another version. Accordingly, although the versions in English, French, German, Italian and Latvian refer to the concepts of ‘ownership’, ‘possession’, ‘holding’ and ‘control’ (*‘appartenant aux ... possède, détiennent ou contrôlent*’; *‘Eigentum, Besitz, gehalten oder kontrolliert werden*’; *‘appartenenti a, posseduti, detenuti o controllati*’; and *‘īpašumā, valdījumā, turējumā vai pārziņā*’), the version in Romanian uses the expression *‘aparțin, se află în proprietatea ori posesia sau sunt controlate*’, which appears to exclude the concept of ‘holding’.

66 It follows from the Court’s settled case-law that the need for a uniform interpretation of provisions of EU law makes it impossible for the text of a provision to be considered, in case of doubt, in isolation but requires that it be interpreted and applied in the light of the versions existing in the other official languages (judgments of 5 December 1967, *van der Vecht*, 19/67, EU:C:1967:49, p. 456, and of 9 October 2025, *On Air Media Professionals and Different Media*, C-416/24 and C-417/24, EU:C:2025:765, paragraph 37 and the case-law cited).

67 Nevertheless, the Court has also consistently held that all the language versions of a provision of EU law must, in principle, be recognised as having the same weight (judgments of 2 April 1998, *EMU Tabac and Others*, C-296/95, EU:C:1998:152, paragraph 36, and also of 9 October 2025, *On Air Media Professionals and Different Media*, C-416/24 and C-417/24, EU:C:2025:765, paragraph 38 and the case-law cited).

68 Where there is divergence between the various language versions of an EU text, the provision in question must be interpreted by reference to the purpose and general scheme of the rules of which it forms part (judgments of 27 October 1977, *Bouchereau*, 30/77, EU:C:1977:172, paragraph 14, and of 9 October 2025, *On Air Media Professionals and Different Media*, C-416/24 and C-417/24, EU:C:2025:765, paragraph 39 and the case-law cited).

69 Accordingly, it can be inferred from the wording of Article 2(1) of Regulation No 269/2014 in the different language versions thereof that it covers a variety of legal relationships between the person or entity included on the list in Annex I to that regulation and the funds and economic resources at issue, ranging from the most extensive legal relationship, namely ownership, to situations in which the person or entity is capable of exercising de facto power over those funds and resources, whether directly or indirectly (see, to that effect, judgment of 10 September 2019, *HTTS v Council*, C-123/18 P, EU:C:2019:694, paragraph 69), or of benefiting from them.

70 That provision therefore refers to all legal and factual situations in which a person holds power enabling that person to use, benefit from, dispose of or have influence over the funds and economic resources concerned.

71 In order to ensure the effectiveness of that provision, the concept of ‘belonging to’ must be interpreted as covering not only situations in which such power over the funds and economic resources concerned can be legally established, but also situations in which a person or entity holds such power de facto, despite the fact that, from a legal perspective, the holder of that power is a different person or a different entity.

72 Similarly, the concept of ‘control’ encompasses all situations in which a natural or legal person is able to influence the decisions of another person, even in the absence of any legal link between those persons or of any link in terms of ownership or equity participation (see, to that effect, judgment of 10 September 2019, *HTTS v Council*, C-123/18 P, EU:C:2019:694, paragraphs 71 and 75).

73 It follows that, in a situation involving funds and economic resources placed in a trust by a settlor included on the list in Annex I to Regulation No 269/2014, the fact that title to those funds and resources stands in the name of the trustee does not preclude those funds and those resources from being regarded as belonging to or being controlled by that settlor, where the latter holds power enabling him, her or it to use, benefit from or dispose of those funds and resources or to have influence over them or over the decisions made by the trustee in respect of the funds and economic resources placed in that trust by the same settlor.

74 That interpretation of Article 2(1) of Regulation No 269/2014 is borne out both by the context of that provision and by the objectives pursued by that regulation.

75 As regards the context, it should be noted, first, that paragraphs (e) and (f) respectively of Article 1 of Regulation No 269/2014 define the concepts of ‘freezing of economic resources’ and of ‘freezing of funds’ broadly (see, by analogy, judgment of 11 November 2021, *Bank Sepah*, C-340/20, EU:C:2021:903, paragraph 45).

76 Article 1(f) of Regulation No 269/2014 defines the concept of ‘freezing of funds’ as ‘preventing any move, transfer, alteration, use of, access to, or dealing with funds in any way that would result in any change in their volume, amount, location, ownership, possession, character, destination or any other change that would enable the funds to be used, including portfolio management’.

77 It is apparent from that definition that the freezing of funds is intended to limit as much as possible the transactions that may be carried out with frozen funds, as demonstrated by the large number of situations referred to and by the use of the word ‘any’. As for the means of attaining the limitation of those transactions, those are also defined in broad terms by the EU legislature (see, by analogy, judgment of 11 November 2021, *Bank Sepah*, C-340/20, EU:C:2021:903, paragraph 43).

78 The foregoing considerations apply equally to the concept of ‘freezing of economic resources’. Indeed, that concept is defined, in Article 1(e) of Regulation No 269/2014, as ‘preventing the use of economic resources to obtain funds, goods or services in any way, including, but not limited to, by selling, hiring or mortgaging them’ (see, by analogy, judgment of 11 November 2021, *Bank Sepah*, C-340/20, EU:C:2021:903, paragraph 44).

79 Those definitions of the concepts of ‘freezing of economic resources’ and of ‘freezing of funds’ would be meaningless if the links between the persons and entities, on the one hand, and the funds and economic resources, on the other, subject to freezing were interpreted in such a way as to exclude situations which, in practice, correspond to situations in which funds and resources belong to or are controlled by persons or entities, but which, formally, cannot be classified as such.

80 Second, Article 2(2) of Regulation No 269/2014 provides that no funds or economic resources are to be made available, directly or indirectly, to or for the benefit of natural or legal persons, entities or bodies, or natural or legal persons, entities or bodies associated with them, as listed in Annex I to that regulation.

81 The Court has already had an opportunity to find that the prohibition in question on making funds or economic resources available is, likewise, framed in particularly broad terms, as evidenced by the use of the words ‘directly or indirectly’, and to hold that it therefore encompasses all the acts necessary under the applicable national law to enable the person included on the list in Annex I to

Regulation No 269/2014 to effectively obtain full power of disposal over the funds or economic resources concerned (see, to that effect, judgment of 17 January 2019, *SH*, C-168/17, EU:C:2019:36, paragraph 51 and the case-law cited).

82 Third, according to Article 9 of Regulation No 269/2014, it is prohibited to participate, knowingly and intentionally, in activities the object or effect of which is to circumvent the measures referred to in Article 2 of that regulation.

83 Article 9 of Regulation No 269/2014 refers to activities which have the aim or result of enabling their author to avoid the application of the measures provided for in Article 2(1) of that regulation and which cannot be regarded as being acts of making available prohibited under Article 2(2) of that regulation (see, by analogy, judgment of 21 December 2011, *Afrasiabi and Others*, C-72/11, EU:C:2011:874, paragraphs 60 and 61).

84 Article 2(2) and Article 9 of Regulation No 269/2014, together with Article 2(1) thereof, constitute a coherent system of provisions which contribute to the pursuit of the objectives laid down by that regulation.

85 Article 2(1) of that regulation must therefore be interpreted in a way that does not undermine the effectiveness of Article 2(2) and of Article 9 of that regulation.

86 In that regard, as noted in paragraph 57 of the present judgment and by the Advocate General in points 39 to 45 and 73 of his Opinion, the creation of a trust allows the legal ownership of the assets held in the trust to be dissociated from their beneficial ownership.

87 Both that disassociation and other characteristics of trusts, namely the fact that the mechanism in question is private and the ease and flexibility with which it can be set up and modified, which can cause such a mechanism to be opaque and structurally complex, allow it to be used not only for legitimate aims but also in order to conceal a link between the settlor and the funds and economic resources held in the trust.

88 An interpretation of Article 2(1) of Regulation No 269/2014 to the effect that the funds and economic resources concerned are regarded as belonging to or as being controlled by the settlor of the trust, where the latter continues to hold power enabling him, her or it to use, benefit from or dispose of the funds and economic resources or to have influence over them or over the decisions made by the trustee in respect of those funds and economic resources, serves to prevent the trust from being used with the aim of circumventing the measures set out in that provision, and must therefore be regarded as being consistent with Article 9 of Regulation No 269/2014.

89 As regards the objectives of that regulation, it should be recalled, first, that it was adopted following the Russian Federation's violation, in 2014, of the sovereignty and territorial integrity of Ukraine, and that it has since been repeatedly amended in response to the Russian Federation's military aggression in respect of Ukraine on 24 February 2022.

90 Second, Implementing Regulation 2022/336 which, inter alia, included the settlor of the trust at issue in the main proceedings on the list referred to in Annex I to Regulation No 269/2014, was adopted in view of the gravity of the situation resulting from that military aggression. As recital 11 of Implementing Regulation 2022/336 recalls, by its illegal military actions, the Russian Federation is grossly violating international law and the principles of the UN Charter, and undermining European and global security and stability.

91 The importance of the objectives pursued by Regulation No 269/2014, that is to say, the protection of Ukraine's territorial integrity, sovereignty and independence and the bringing to an end

of the Russian Federation's infringement of international law and of the principles of the UN Charter, which form part of the wider objective of maintaining peace and international security, in accordance with the objectives of the European Union's external action, set out in Article 21 TEU, not only is such as to justify negative consequences, even significantly negative consequences, for certain operators (see, to that effect, judgment of 28 March 2017, *Rosneft*, C-72/15, EU:C:2017:236, paragraph 150), but also dictates that the regulation in question must be interpreted in such a way as to ensure the effectiveness of the restrictive measures it establishes and to prevent the effect of those measures from being neutralised or those measures from being circumvented.

92 It follows from the foregoing that Article 2(1) of Regulation No 269/2014 must be interpreted as meaning that the funds and economic resources placed in a trust by its settlor, a person included on the list in Annex I to that regulation, may be regarded as belonging to or as being controlled by that settlor, thereby justifying, as a result, the fact that a freezing measure may be adopted, where applicable, in respect of those funds and those economic resources.

93 In the present case, the referring court states that the settlor has no power to manage the funds and economic resources held in the trust and that he is not the user of those funds and economic resources.

94 While it is not the task of the Court, in the context of proceedings under Article 267 TFEU, to question such a finding by the referring court, it should nevertheless be clarified, in order to provide a response of use to the latter, that, in determining whether, in the situation at issue in the main proceedings, the settlor of the trust has retained power enabling him to use, benefit from or dispose of the funds and economic resources held in the trust or to have influence over those funds and economic resources or over the decisions made by the trustee in respect of them, the referring court may have reference to the law applicable to the trust but may not confine itself to that law alone.

95 It is apparent from the order for reference that the trust at issue in the main proceedings is set up and governed in accordance with the law of Bermuda. In that regard, as the Advocate General noted in points 89 to 91 of his Opinion, the referring court may take into account the settlor's prerogatives as recognised by the law of Bermuda, such as the power to revoke all or part of the trust; the power to give binding instructions to the trustee in connection with the purchase, holding, sale or other commercial or investment transactions involving the trust assets or in relation to any investment or reinvestment of those assets, and for the exercise of any power or right arising from those assets; the right to appoint, add, remove or replace any trustee or protector of the trust; the power to add, remove or exclude a beneficiary or category of beneficiaries; and the right to decide that the settlor himself should be a co-beneficiary of the trust.

96 Those prerogatives could indicate that the settlor has influence over the funds and economic resources held in the trust or over the decisions made by the trustee in respect of those funds and those economic resources, whether or not those prerogatives are explicitly established in the instrument setting up the trust or in amendments to it.

97 Indeed, since there is no obligation of publicity in respect of the instrument setting up the trust and amendments to it, it may prove difficult to identify, on the basis of that instrument, the true nature of the legal relationship behind the mechanism in question, since it is possible that the current versions of that founding instrument and of amendments to it may not be made available, and those versions can, in any event, be modified.

98 The settlor may exercise influence over the funds and economic resources held in the trust or over the decisions made by the trustee in respect of them, and may use, benefit from or dispose of

those funds and those economic resources, without that influence or that ability being formalised in legal instruments, and the referring court must also take that circumstance into account.

99 In that regard, the referring court must in particular take account of the relationships between the settlor, on the one hand, and the other persons involved in the trust, such as the trustee or the protector, on the other, and must determine, in particular, whether the settlor has appointed, as trustee or protector, persons who enjoy the confidence of and are linked professionally or personally to the settlor and are likely to follow the settlor's instructions or suggestions as regards the administration of the trust and the trust assets.

100 In addition, as the Advocate General noted, in essence, in point 116 of his Opinion, the allocation of the funds and economic resources held in the trust to activities intended solely or primarily for or for the benefit of the settlor or persons or entities belonging to, controlled by or linked to that person may constitute an indication of the influence that the settlor has over the trust and over the funds and resources held in it, and of the fact that the settlor is able to benefit from or dispose of those funds and resources.

101 In that regard, were the referring court to find that the settlor is not the user of the assets and legal relationships held in the trust, it would still be necessary to determine whether the companies held in the trust provide goods or services to the entities held exclusively or controlled by the settlor or in which the settlor has a majority holding.

102 Last, it must be noted that the use of needlessly complex structures and of the trusts associated with a person included on the list in Annex I to Regulation No 269/2014 may in itself constitute an indication that the person in question has control over an entity that is not included on that list. That observation is moreover reflected in the Best Practices, in particular in paragraphs 63, 64 and 67 thereof.

103 Indeed, it should be noted that the referring court could find that the settlor has influence over the funds and economic resources held in the trust if the settlor, directly or indirectly, held a majority of the capital of or voting rights in the trustee; the right to appoint or remove a majority of the members of the administrative, managerial or supervisory body of the trustee; or the right to exercise decisive influence over the trustee including under an agreement concluded between them, including through shell companies.

104 Accordingly, the fact that some of those entities were set up or changed their identity shortly before the adoption of the sanctions regime or the person's listing, and/or that they have no credible business activity; the fact that one or more trusts are used as receivers of assets from an entity owned or controlled by a listed person; and the fact that the management of the trusts involves professionals from the jurisdiction where the trusts were set up constitute an indication that persons included on the list in Annex I to Regulation No 269/2014 have control over entities not included on that list.

105 In addition, in situations in which companies are held in the trust, as in the situation at issue in the main proceedings, the settlor of the trust may be found to have influence over those companies where, in particular, the trustee is not a director of those companies but merely holds their capital. In such circumstances, it is for the referring court to determine the powers of the directors of those companies and the relationships between those directors and the settlor.

106 Having regard to all the foregoing, the answer to the first and third questions is that Article 2(1) of Regulation No 269/2014 must be interpreted as meaning that the funds and economic resources placed in a trust by its settlor, a person included on the list in Annex I to that regulation, must be

regarded as 'belonging' to or as being 'controlled' by that settlor, within the meaning of that provision, provided that the settlor in question continues to hold power enabling him, her or it to use, benefit from or dispose of those funds and economic resources or to have influence over them or over the decisions made by the trustee in respect of those funds and economic resources.

***The second question***

107 In view of the answer to the first and third questions, it is not necessary to answer the second question.

**Costs**

108 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the referring court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (First Chamber) hereby rules:

**Article 2(1) of Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine, as amended by Council Regulation (EU) 2022/330 of 25 February 2022,**

**must be interpreted as meaning that the funds and economic resources placed in a trust by its settlor, a person included on the list in Annex I to Regulation No 269/2014, as amended, must be regarded as 'belonging' to or as being 'controlled' by that settlor, within the meaning of that provision, provided that the settlor in question continues to hold power enabling him, her or it to use, benefit from or dispose of those funds and economic resources or to have influence over them or over the decisions made by the trustee in respect of those funds and economic resources.**

[Signatures]

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\* Language of the case: Italian.