

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 – Trust beneficiary 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 Joined Cases C-428/24 and C-476/24,

REQUESTS for a preliminary ruling under Article 267 TFEU from the Tribunale amministrativo regionale per il Lazio (Regional Administrative Court, Lazio, Italy), made by decisions of 7 May 2024 and 8 May 2024, received at the Court on 13 June 2024 and on 5 July 2024 respectively, in the proceedings

FZ AR SpA

v

Ministero dell’Economia e delle Finanze, Dipartimento del Tesoro, Comitato di Sicurezza Finanziaria,

Comando Generale della Guardia di Finanza, Nucleo Speciale di Polizia Valutaria,

Agenzia del Demanio,

intervening parties:

PN SpA,

FZ GO AG (C-428/24),

and

SX Ltd

v

Ministero dell’Economia e delle Finanze,

Comando Generale della Guardia di Finanza,

Agenzia del Demanio,

intervening parties:

SY Ltd (C-476/24),

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: C. Di Bella, Administrator,

having regard to the written procedure and further to the hearing on 10 September 2025,

after considering the observations submitted on behalf of:

- FZ AR SpA, by G. Cambareri, avvocato, and D. Bogaert T. Bontinck, M. Brésart, S. Napolitano and F. Patuelli, avocats,
- FZ GO AG, by N. Montag, avocată, and A. O’Neill, Barrister-at-Law,
- SX Ltd, by F. Centonze and A. Saccucci, avvocati,
- SY Ltd, by P. Busco, avvocato,
- the Italian Government, by S. Fiorentino, acting as Agent, and by G. Palatiello and L. Paolucci, avvocati dello Stato, and P. Cardinale, procuratore dello Stato,
- the Belgian Government, by L. Jans, C. Pochet and M. Van Regemorter, acting as Agents,
- the Finnish Government, by M. Pere, acting as Agent,
- the Council of the European Union, by M. Di Gaetano, B. Driessen and P. Mahnič, acting as Agents,
- the European Commission, by M. Carpus-Carcea and L. Puccio, acting as Agents,

having decided, after hearing the Advocate General, to proceed to judgment without an Opinion,

gives the following

Judgment

1 These requests for a preliminary ruling concern 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 requests were made in two sets of proceedings between, respectively, in Case C-428/24, FZ AR SpA, on the one hand, and the Ministero dell’Economia e delle Finanze, Dipartimento del Tesoro, Comitato di Sicurezza Finanziaria (Ministry of Economy and Finance, Treasury Department, Financial Security Committee, Italy), the Comando Generale della Guardia di Finanza, Nucleo Speciale di Polizia Valutaria (General Command of the Financial Police, Special Unit of the Monetary Police, Italy) and the Agenzia del Demanio (State Property Agency, Italy), on the other, and, in Case C 476/24, SX Ltd, on the one hand, and the Ministry of Economy and Finance, the General Command of the Financial Police and the State Property Agency, on the other, concerning the freezing of the funds and economic resources of FZ AR and of the economic resource of SX comprising a boat.

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) 2022/397 and Decision (CFSP) 2022/883

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, the Council of the European Union amended the Annex to Decision 2014/145, relating to the list of persons, entities and bodies referred to in Articles 1 and 2 of that decision, by means of, inter alia, Decision (CFSP) 2022/397 of 9 March 2022 (OJ 2022 L 80, p. 31) and Decision (CFSP) 2022/883 of 3 June 2022 (OJ 2022 L 153, p. 92).

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 benefitting 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) 2022/396

13 On 9 March 2022, the Council adopted Implementing Regulation (EU) 2022/396 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 80, p. 1), by means of which 146 members of the Russian Federation Council who had ratified the decisions of the Government relating to the ‘Treaty of Friendship, Cooperation and Mutual Assistance between the Russian Federation and the Donetsk People’s Republic and between the Russian Federation and the Luhansk People’s Republic’ were added to the list of natural and legal persons, entities and bodies subject to restrictive measures contained in Annex I to Regulation No 269/2014, together with 14 persons supporting and benefitting from the Government of the Russian Federation or providing a substantial source of revenue to it, or associated with persons or entities on that list.

14 Recitals 3 and 4 of that implementing regulation state:

‘(3) 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.

(4) In its conclusions of 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.’

Implementing Regulation (EU) 2022/878

15 In view of the gravity of the situation in the light of the atrocities committed by the armed forces of the Russian Federation in a number of Ukrainian towns, the Council adopted Implementing Regulation (EU) 2022/878 of 3 June 2022 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 153, p. 15), by which it added 65 individuals and 18 entities to the list of natural and legal persons, entities and bodies subject to restrictive measures contained in Annex I to Regulation No 269/2014.

16 Recitals 2 and 3 of that implementing regulation state:

(2) The [European] Union remains unwavering in its support for Ukraine's sovereignty and territorial integrity and continues to condemn actions and policies undermining the territorial integrity of Ukraine[.]

(3) The [European] Union condemns in the strongest possible terms the reported atrocities committed by the Armed Forces of the Russian Federation in Bucha and other Ukrainian towns. The [European] Union supports all measures to ensure accountability for human-rights violations and violations of international humanitarian law in Ukraine by the Armed Forces of the Russian Federation.'

Directive 2015/849

17 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. ...'

18 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

19 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).

20 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.

21 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.'

22 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

23 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^o 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).

24 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.

25 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 disputes in the main proceedings, the questions referred for a preliminary ruling and the procedure before the Court

The dispute in the main proceedings in Case C-428/24

26 FZ AR is an Italian company that is a member of the FZ multinational group and operates in the sector concerned with the production, import and export of and the wholesale trade in fertilisers, pest control and plant health products and instruments and equipment for the production of and trade in those products.

27 FZ AR is 100% owned by FZ GO AG, a Swiss company, 90% of the shares in which belong to NC Ltd, a Cypriot company. 99.38% of the shares in NC belong to another Cypriot company known as TR, 75.10% of which is held by WX Ltd, a Cypriot company. WX is 100% owned by PX Limited, a company which, on a professional basis, provides trust management services in accordance with Cypriot law.

28 The irrevocable discretionary trust known as 'XT' ('XT Trust'), which was created on 24 September 2015, is governed by the legislation of Bermuda. The trustee of XT Trust is WX, which is responsible for managing the assets and economic resources held in that trust and for the financial supervision of FZ GO and, consequently, of FZ AR.

29 It is apparent from the order for reference that WX manages and controls the voting rights attaching to the controlling interest in a 'chain' of companies, including FZ GO and FZ AR, that it holds not in its own name but in the name of and on behalf of XT Trust. Consequently, the resources held in that trust also include the controlling interest in FZ GO and of FZ AR.

30 Again according to the order for reference, Mr ZU, who was the initial beneficiary of XT Trust, was replaced by Ms TU, Mr ZU's spouse, on 8 March 2022.

31 On 9 March 2022, by Decision 2022/397 and Implementing Regulation 2022/396, the Council included Mr ZU 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.

32 On 3 June 2022, by Decision 2022/883 and Implementing Regulation 2022/878, the Council included Ms TU on the list of persons, entities and bodies subject to restrictive measures in Annex I to Regulation No 269/214.

33 By decision notified on 28 September 2022, the Financial Security Committee, under Article 2 of Regulation No 269/2014 and of Legislative Decree No 109/2007, ordered the freezing of the funds and economic resources of FZ AR, on the grounds that FZ AR was controlled, through structures involving a Swiss company and Cypriot companies, by XT Trust, set up in accordance with the legislation of Bermuda, and that Ms TU, having succeeded Mr ZU, who relinquished his status as a beneficiary on 8 March 2022, had been the beneficial owner of XT Trust since 9 March 2022. The assets and legal relationships of FZ AR were therefore, in reality, indirectly attributable to Ms TU.

34 On 28 October 2022, FZ AR 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 decision, claiming that, even though Ms TU is the beneficiary of XT Trust, which is at the top of the chain of control of FZ GO, which, for its part, holds 100% of the capital of FZ AR, the funds and economic resources of which have been frozen, she does not, even indirectly, control those funds and economic resources.

35 FZ AR states that, first, in the context of a ‘non-exhaustive discretionary trust’ within the meaning of the legislation of Bermuda, the beneficiary of that trust neither owns the trust assets nor is entitled to benefit from its assets, and has only a hope that the trustee will exercise the trustee’s discretionary power in the beneficiary’s favour.

36 Second, under the ‘compliance clause’ included in the instrument setting up the trust, of 30 May 2022, the trustee can at no time distribute any economic benefit derived from the trust property, which includes the property of FZ AR, to any person or entity, including a beneficiary, if that distribution constitutes an infringement of the measures to freeze funds and economic resources adopted under EU law. The directors of the trustee and the protector of XT Trust undertook to comply with the sanctions ordered by European, national or UN authorities and not to accept instructions from Ms TU, who can neither wind up XT Trust before expiry of its term, set for 2106, nor appropriate the trust funds.

37 The defendant authorities in the main proceedings claimed that the fact that the law of Bermuda and Article 13 of the instrument setting up XT Trust prohibit any distribution of benefits to the beneficiary does not totally rule out the possibility that the person included on the list in Annex I to Regulation No 269/2014 may use the resources covered by the decision to freeze funds and economic resources, referred to in paragraph 33 of the present judgment, since the trust is a legal act founded on the intention of the parties, and those parties are entitled to amend or remove contractual clauses in the instrument setting up the trust, to wind up the trust and to set it up again in a different country and subject to different legislation.

38 The referring court observes, first, that Ms TU, who is the beneficiary of XT Trust, and is, in essence, the owner of FZ AR, has no power to manage or to control the funds and economic resources held in that trust.

39 Second, XT Trust was set up in accordance with the usual model for setting up a trust, that is to say, the trustee, the nominal owner of the assets placed in the trust by the settlor, administers and

manages those assets on the basis of the instrument setting up the trust, in accordance with the legislation governing the trust; and, under the compliance clause, the trustee cannot transfer the economic resources held in the trust to the trust beneficiary, here, Ms TU, so long as that person is included on the list in Annex I to Regulation No 269/2014.

The dispute in the main proceedings in Case C-476/24

40 It is apparent from the order for reference and from the referring court's reply to the request for clarification sent to it by the Court, lodged at the Court Registry on 2 July 2025, that the irrevocable discretionary trust known as 'N Trust' was created on 28 February 2022 and replaced the trust known as 'S Trust', of which Mr ZU was the beneficiary. The sole beneficiary of N Trust is Ms TU. The economic resources transferred from S Trust to N Trust include all the shares in SX and the boat 'Sailing ... A' ('the boat'), of which SX is the sole owner.

41 The trustee of N Trust is SY Ltd, a company which, in that capacity, holds all the capital of the company SX.

42 As indicated in paragraph 31 of the present judgment, on 9 March 2022, by Decision 2022/397 and Implementing Regulation 2022/396, the Council included Mr ZU 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.

43 By decision of 11 March 2022, the Financial Security Committee, having found, inter alia, on the basis of documentary evidence dating from January 2022, that the boat, which had a value estimated at approximately EUR 530 million, was the property of SX, ordered the freezing of the economic resource consisting of the boat because in reality it was, indirectly, associated with and attributable to Mr ZU, who is included on the list in Annex I to Regulation No 269/2014 and who was the beneficial owner of the company SX.

44 On 9 May 2022, SX brought an action before the referring court seeking, inter alia, annulment of that decision, arguing that a boat cannot be subject to a freezing measure because it is not a source of revenue and/or of amenity and is therefore not an economic resource but rather an asset intended exclusively for personal use or consumption. Moreover, according to SX, that decision infringes SX's right to property, protected by Article 17 of the European Convention for the Protection of Human Rights and Fundamental Freedoms, signed in Rome on 4 November 1950, since that company is not included on the list in Annex I to Regulation No 269/2014.

45 As indicated in paragraph 32 of the present judgment, by Decision 2022/883 and Implementing Regulation 2022/878, the Council included Ms TU, Mr ZU's spouse, on the list of persons, entities and bodies subject to restrictive measures in Annex I to Regulation No 269/2014.

46 In that regard, SX, while conceding that Ms TU is the beneficiary of N Trust, which controls that company, which in turn owns the boat, submits before the referring court that neither Ms TU nor any other person included on the list in Annex I to Regulation No 269/2014 has any influence over the company SY or the company SX; directly or indirectly controls those companies; owns or directly or indirectly possesses the assets held in N Trust, including the boat; or has a right of disposal in relation to those assets.

47 In accordance with the law governing N Trust and with its founding instrument, the trustee cannot distribute any economic benefit whatsoever derived from the trust to the trust beneficiary. That beneficiary has no power whatsoever to manage or to control the trust and is not entitled to require or obtain the distribution of benefits or payments by the trustee; to give any instructions to the trustee in relation to the management of the assets; to limit or place conditions on the

discretionary nature of that management; or to wind up the trust before expiry of its term, set for 2106, or to appropriate the trust assets before that date.

48 Furthermore, all the management bodies of SX and of the trustee have undertaken to take measures to ensure, in essence, that a person included on the list in Annex I to Regulation No 269/2014 cannot exercise any influence or any control over the trust assets or, directly or indirectly, dispose of or benefit from the funds or economic resources in the trust, and that Mr ZU and Ms TU are prohibited from having access to or using the boat so long as they remain on the list in Annex I to that regulation.

49 The defendant authorities in the main proceedings argued, *inter alia*, that, despite the fact that, under the law applicable to the trust, any distribution of benefits to the beneficiary is prohibited by a clause included in the instrument setting up the trust or is impossible as a result of that clause, that circumstance did not preclude the frozen economic resource from being used by the person designated by the measure freezing funds and economic resources, since the trust is a legal act based on the intention of the parties.

50 The referring court states that, in the instant case, the person included on the list in Annex I to Regulation No 269/2014 is the beneficiary of N Trust, which is, in essence, the owner of the company SX, and that beneficiary, pursuant to the law governing the trust and to the instrument setting up that trust, has no power to use, distribute, manage and/or control the economic resources held in that trust.

Questions referred for a preliminary ruling

51 In the two joined cases C-428/24 and C-476/24, the referring court is uncertain, in the light of the considerations set out in paragraphs 26 to 50 of the present judgment, whether the assets, economic resources and legal relations placed in the trust can be regarded as ‘belonging’ to the trust beneficiary included on the list in Annex I to Regulation No 269/2014, even though that beneficiary is neither a user nor the manager thereof, or whether they can be regarded, at least, as being ‘controlled’ by that beneficiary for the purposes of applying the measures freezing funds and economic resources laid down in Article 2(1) of that regulation.

52 In that regard, it states that the placing of an asset in the trust may be found not to involve a true transfer of the ownership of that asset but to be merely a formal operation, performed without consideration, intended to create an estate separate not only from the settlor’s estate but also from that of the trustee. Consequently, that asset does not leave the settlor’s estate on a lasting basis and continues to belong, within the meaning of Article 2(1) of Regulation No 269/2014, to the settlor, at least until it is definitively transferred to the beneficiaries, a finding that would preclude application of the measures to freeze funds and economic resources at issue in the main proceedings.

53 However, the referring court is uncertain whether, during the lifetime of the trust and as a result of its particular features, the assets held in the trust can be found to ‘belong’ to a certain extent to the beneficiary, at the very least concurrently with the trustee and the settlor or, as the case may be, exclusively, thereby allowing the adoption in respect of the beneficiary of measures freezing funds and economic resources such as those laid down in Article 2(1) of Regulation No 269/2014, even in the presence of the compliance clause in the instrument setting up the trust, which prohibits any transfer of the assets to the beneficiary so long as the latter is included on the list in Annex I to that regulation.

54 In that regard, 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

of an asset but also to ‘atypical’ or ‘hybrid’ situations, that is to say, situations in which a person is able to dispose of the asset concerned or to control it in any way whatsoever. That would apply to a trust beneficiary who, although not directly possessing the assets held in the trust or being able to dispose of them or being the formal owner of those assets, as a result of the express prohibition to that effect laid down in the instrument setting up the trust, is in practice able to exercise substantial influence over those assets, since that person is their ultimate beneficiary and since the trustee is guided in management of the trust by the criterion of protecting that person’s interests.

55 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 an easily used mechanism for evading the measures freezing funds and economic resources laid down by EU law. That interpretation is also supported by Article 3(6)(b)(iv) of Directive 2015/849.

56 Last, it can be inferred from the trustee’s obligation to manage the assets and economic resources held in the trust exclusively in the interests of the beneficiary that the beneficiary exercises decisive influence (see, in that respect, judgment of 4 March 2020, *Marine Harvest v Commission*, C-10/18 P, EU:C:2020:149, paragraph 49) over those assets and resources and is in a position of ‘control’ in relation to them, irrespective of whether there is specific evidence showing that such influence has been exercised.

57 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, which are worded identically in both joined cases, C-428/24 and C-476/24, to the Court of Justice for a preliminary ruling:

‘(1) Does Article 2(1) of Regulation [No 269/2014] preclude an interpretation according to which – in the case of assets or resources held in a discretionary trust (the beneficiary of which is listed in Annex I to that regulation) – those assets and/or resources are nevertheless to be regarded as “belonging” to the beneficiary of the trust, even if the national law applicable to the trust (or a contractual [compliance] clause contained in the [instrument setting up the trust]) expressly prohibits the beneficiary from performing any act of enjoyment or disposal of the trust assets or resources for as long as the beneficiary is listed in Annex I to Regulation [No 269/2014], or in any event for as long as the [enjoyment] or disposal of such assets or resources would constitute an infringement of [EU] law?’

(2) If the answer to the first question is in the affirmative, does Article 2(1) of Regulation [No 269/2014] preclude an interpretation according to which – in the case of assets or resources held in a discretionary trust (the beneficiary of which is listed in Annex I to the abovementioned [regulation]) – those assets and/or resources are nevertheless to be regarded as subject to the “control” of the beneficiary of the trust, even if the national law applicable to the trust (or a contractual [compliance] clause contained in the [instrument setting up the trust]) expressly prohibits the beneficiary from performing any act of enjoyment or disposal of the trust assets or resources for as long as the beneficiary is listed in Annex I to Regulation [No 269/2014], or in any event for as long as the [enjoyment] or disposal of such assets or resources would constitute an infringement of [EU] law?’

Procedure before the Court

58 By decision of the President of the Court of 29 August 2024, Cases C-428/24 and C-476/24 were joined for the purposes of the written and oral parts of the procedure and of the judgment.

59 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 4 of the EU Treaty.

60 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.

Admissibility of the request for a preliminary ruling in Case C-476/24

61 While not formally raising an exception of inadmissibility in respect of the request for a preliminary ruling, SX submits that, on the date of the decision to freeze funds and economic resources at issue in the main proceedings, that is to say, 11 March 2022, Ms TU was not yet included on the list in Annex I to Regulation No 269/2014. However, the questions put by the referring court in Case C-476/24 concern the situation of a trust beneficiary who, in the instant case, is precisely Ms TU.

62 In that regard, it should be recalled that, in proceedings under Article 267 TFEU, it is solely for the national court before which the dispute has been brought, and which must assume responsibility for the subsequent judicial decision, to determine in the light of the particular circumstances of the case both the need for a preliminary ruling in order to enable it to deliver judgment and the relevance of the questions which it submits to the Court. Consequently, where the questions submitted concern the interpretation of EU law, the Court is in principle bound to give a ruling. It follows that questions relating to EU law enjoy a presumption of relevance. The Court may refuse to rule on a question referred by a national court only where it is quite obvious that the interpretation of EU law that is sought bears no relation to the actual facts of the main action or its purpose, where the problem is hypothetical, or where the Court does not have before it the factual or legal material necessary to give a useful answer to the questions submitted to it (judgment of 24 June 2025, *GR REAL*, C-351/23, EU:C:2025:474, paragraph 45 and the case-law cited).

63 In the instant case, it is apparent from the request for a preliminary ruling and from the referring court's reply to the request for clarification sent to it by the Court, lodged at the Court Registry on 2 July 2025, that, on 28 February 2022, S Trust, of which Mr ZU was the beneficiary, became N Trust, of which Ms TU is the beneficiary. The resources transferred from S Trust to N Trust included all the shares in the company SX and, as a result, the boat, of which SX is the sole owner.

64 In its reply to that request for clarification, the referring court states that the fact that the decision to freeze funds and economic resources at issue in the main proceedings, which concerned Mr ZU, the beneficiary of S Trust, was adopted on 11 March 2022 on the basis of documentary evidence dating from January 2022, does not constitute an administrative failure to ascertain the facts and was not challenged by SX. In addition, the fact that S Trust had become N Trust, with a change of beneficiary, came to light during the proceedings before the referring court but SX did not dispute the lawfulness of that decision on that basis.

65 It is for the referring court to determine whether the circumstances set out in paragraphs 63 and 64 of the present judgment are such as to affect the lawfulness of the decision to freeze funds and economic resources at issue in the main proceedings or of the maintenance of that decision. Nevertheless, in the light of the explanations provided by the referring court, it is not obvious that the interpretation of EU law being sought bears no relation to the actual facts of the main action or its purpose or that the issue is hypothetical. Furthermore, the Court has before it the factual or legal material necessary to give a useful answer to the questions submitted to it.

66 It follows that the request for a preliminary ruling in Case C-476/24 is admissible.

Consideration of the questions referred

Preliminary observations

67 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 and economic resources held in a trust where the beneficiary of that trust is included on the list in Annex I to Regulation No 269/2014.

68 In that regard, in the first place, it is apparent from the order for reference in Case C-428/24 that the resources held in XT Trust include the controlling holding in FZ AR, the funds and economic resources of which have been frozen.

69 As regards Case C-476/24, it is apparent from the order for reference that the resources transferred from S Trust to N Trust include the shares in the company SX, which is the owner of the boat to which the freezing of funds and economic resources at issue in the main proceedings has been applied.

70 It is apparent from the requests for a preliminary ruling in both those cases and, in particular, from the manner in which it has worded its questions that the referring court is starting from the premiss that, first, the economic resources of the company FZ AR and, second, the boat, which belong to companies the shares in which have been placed, directly or indirectly, in the trust at issue in the main proceedings, are themselves also economic resources held in those trusts.

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

72 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.

73 It is also apparent from Article 2 of the Hague 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.

74 The referring court states, in that regard, that the discretionary trusts at issue in the main proceedings were 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.

75 That court clarifies that the trustee administers the trust assets exclusively in the interests of the beneficiary, whose wishes are decisive as regards the regime applicable to the assets held in the trust, albeit without that person having power to use, distribute, manage or control the economic resources held in the trust. Furthermore, the law applicable to the trust and the instrument setting up the trust prohibit the beneficiary from performing any act of enjoyment or disposal in respect of the assets or resources held in the trust throughout the period during which that person is included

on the list in Annex I to Regulation No 269/2014 or, in any event, throughout the period during which the enjoyment or disposal of those assets or resources would constitute an infringement of EU law.

76 It is having regard to 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.

77 In the first place, as noted in paragraphs 31, 40 and 43 of the present judgment, the Italian authorities considered that the person included on the list in Annex I to Regulation No 269/2014 was the 'beneficial owner' of, in Case C-428/24 and in Case C-476/24 respectively, XT Trust, which controlled FZ AR, the funds and economic resources of which were subject to measures freezing funds and economic resources, and SX, which was held initially in S Trust and then in N Trust, and which is the owner of the boat.

78 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, *inter alia*, in Directive 2015/849.

79 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.

80 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.

81 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.

Substance

82 By its questions, which it is appropriate to examine together, 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 held in a trust, the beneficiary of which is included on the list in Annex I to that regulation, must be regarded as 'belonging' to or being 'controlled' by that beneficiary, within the meaning of that provision, even though the law applicable to the trust and the clauses of the instrument setting it up prohibit that beneficiary from performing any act of enjoyment or disposal of those funds and economic resources throughout the period during which that beneficiary is included on the list in question or, in any event throughout the period during which their enjoyment or disposal would constitute an infringement of EU law.

83 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.

84 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.

85 According to settled case-law, it follows from the need for a uniform application of EU law and 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).

86 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. 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 the same provision in Spanish provides for only three types of relationship between them (‘*propiedad, tenencia o control*’).

87 It follows moreover 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 ... possèdent, 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’.

88 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).

89 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).

90 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).

91 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.

92 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.

93 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.

94 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).

95 It follows that, in a situation involving a trust the beneficiary of which is included on the list in Annex I to Regulation No 269/2014, the fact that title to the funds and economic resources held in that trust stands in the name of the trustee or of a person or entity belonging or directly or indirectly controlled by the trustee, and that, under the law applicable to the trust in question, the beneficiary cannot require the trustee to exercise its discretionary power in the beneficiary’s favour does not preclude those funds and those resources from being regarded as belonging to or being controlled by that beneficiary, 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 held in the same trust.

96 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.

97 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).

98 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’.

99 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 regards the means by which the limitation of those transactions is achieved, they too are 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).

100 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).

101 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.

102 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.

103 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 P, EU:C:2019:36, paragraph 51 and the case-law cited).

104 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.

105 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).

106 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.

107 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 thereof.

108 In that regard, as noted in paragraph 80 of the present judgment, the creation of a trust allows the legal ownership of the assets held in the trust to be dissociated from their beneficial ownership.

109 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 beneficiary and the funds and economic resources held in the trust.

110 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 trust beneficiary, where the latter holds 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.

111 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.

112 Second, Implementing Regulations 2022/396 and 2022/878, which, inter alia, include Mr ZU and Ms TU respectively on the list in Annex I to Regulation No 269/2014, were adopted as a consequence of that military aggression. As recital 4 of Implementing Regulation 2022/396 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. Furthermore, as noted in recital 3 of Implementing Regulation 2022/878, that regulation, which includes Ms TU on the list in Annex I to Regulation No 269/2014, was adopted as a consequence of the atrocities which were committed, according to available information, by the armed forces of the Russian Federation in Bucha and other Ukrainian towns, in violation of human rights and international humanitarian law.

113 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.

114 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 held in a trust may be regarded as belonging to or as being controlled by the beneficiary of that trust, thereby justifying, as a result, where the beneficiary of that trust is included on the list in Annex I to that regulation, the fact that a freezing measure may be adopted, where applicable, in respect of those funds and those economic resources.

115 In the present cases, the referring court states that the beneficiary has no power to use, distribute, manage or control the funds and economic resources held in the trusts at issue in the main proceedings.

116 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 situations at issue in the main proceedings, the beneficiary of the trusts at issue in the main proceedings has power enabling him or her to use, benefit from or dispose of the funds and economic resources held in those trusts 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 cannot have reference only to the law applicable to the trust, but must also have regard to the relevant factual circumstances.

117 In that regard, it is apparent from the orders for reference that the trusts at issue in the main proceedings are discretionary trusts, set up and governed according to the law of Bermuda. It has been argued before the Court that, in the context of such trusts, the beneficiaries have no right of ownership over the trust assets so long as the trustee does not decide to exercise the trustee's discretionary power in their favour, and that they cannot influence the trustee or claim entitlement to trust assets or to payments made against the funds held in the trust. The trustee manages the trust independently and in the best interests of the beneficiaries, whether current or future, and decides at the trustee's discretion whether and when to distribute benefits to the beneficiary and the amount of such benefits.

118 However, even though, before such a distribution, the beneficiary formally has no rights over the funds and economic resources held in the trust, the fact that they are managed in the interests solely of that beneficiary constitutes an indication that those funds and economic resources may belong to or may be controlled by the beneficiary.

119 Indeed, the beneficiary 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.

120 In that regard, the referring court must in particular take account of the relationships between the beneficiary, on the one hand, and the other persons involved in the trust, such as the trustee, the settlor or the protector, on the other. The fact that the role of trustee or protector is performed by persons who enjoy the confidence of and are linked professionally or personally to the beneficiary and are likely to follow the latter's instructions or suggestions as regards the administration of the trust and the trust assets may be indicative of the beneficiary's influence over the funds and economic resources held in the trust or over the decisions made by the trustee in respect of them, and of power to use, benefit from or dispose of the funds and economic resources held in the trust.

121 In addition, 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 beneficiary or persons or entities belonging to, controlled by or linked to the beneficiary may constitute an indication of the influence that the beneficiary has over the trust and over the funds and resources held in it, and of the beneficiary's power to benefit from or dispose of those funds and resources.

122 In that regard, were the referring court to find that the beneficiary 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 beneficiary or in which the beneficiary has a majority holding.

123 By contrast, the fact, noted by the referring court, that the provisions of the law applicable to the trust and the clauses of the instrument setting up the trust prohibit that beneficiary from

performing any act of enjoyment or disposal in respect of the funds and economic resources held in the trust throughout the period during which the beneficiary is included on the list in Annex I to Regulation No 269/2014 or, in any event, throughout the period during which the enjoyment or disposal thereof would constitute an infringement of EU law, cannot be decisive.

124 First, the prohibition on making funds and economic resources available, directly or indirectly, to persons included on that list, is laid down in Article 2(2) of Regulation No 269/2014.

125 However, although, as is apparent from paragraphs 106 and 107 of the present judgment, 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 pursuit of the objectives laid down by that regulation and which must be interpreted in such a way as not to undermine the effectiveness of those provisions, each of those provisions nevertheless has its own scope. Determining the links between the person included on that list and the funds and economic resources held in a trust of which that person is a beneficiary is a separate matter from the prohibition on making funds and economic resources available laid down in Article 2(2) of that regulation (see, by analogy, judgment of 12 March 2026, *EM SYSTEM*, C-84/24, EU:C:2026:181, paragraph 98).

126 Second, since there is no obligation of publicity in respect of the instrument setting up the trust and amendments to it, 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. The unilateral undertakings given in the context of the founding instrument in question may likewise be revoked.

127 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.

128 Indeed, it should be noted that the referring court could find that the beneficiary has influence over the funds and economic resources held in the trust if the beneficiary, directly or indirectly, held a majority of the capital or voting rights in respect of 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.

129 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.

130 In addition, in situations in which companies are held in the trust, as in the situation at issue in the main proceedings, the trust beneficiary 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 trust beneficiary.

131 Having regard to all the foregoing, the answer to the questions referred is that Article 2(1) of Regulation No 269/2014 must be interpreted as meaning that the funds and economic resources held in a trust, the beneficiary of which is included on the list in Annex I to that regulation, must be regarded as 'belonging' to or as being 'controlled' by that beneficiary, within the meaning of that provision, even though the law applicable to the trust and the clauses of the instrument setting up the trust prohibit that beneficiary from performing any act of enjoyment or disposal of those funds and economic resources throughout the period during which that beneficiary is included on that list or, in any event, throughout the period during which their enjoyment or disposal would constitute an infringement of EU law, provided that the beneficiary in question is able to use, benefit from or dispose of the funds and economic resources held in the trust or to have influence over them or over the decisions made by the trustee in respect of those funds and economic resources.

Costs

132 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 held in a trust, the beneficiary of which is included on the list in Annex I to that regulation, must be regarded as 'belonging' to or as being 'controlled' by that beneficiary, within the meaning of that provision, even though the law applicable to the trust and the clauses of the instrument setting up the trust prohibit that beneficiary from performing any act of enjoyment or disposal of those funds and economic resources throughout the period during which that beneficiary is included on that list or, in any event, throughout the period during which their enjoyment or disposal would constitute an infringement of EU law, provided that the beneficiary in question is able to use, benefit from or dispose of the funds and economic resources held in the trust or to have influence over them or over the decisions made by the trustee in respect of those funds and economic resources.

[Signatures]

* Language of the case: Italian.