JUDGMENT OF THE GENERAL COURT (Seventh Chamber, sitting with five Judges)

4 November 2026 (*)

(Common foreign and security policy – Restrictive measures adopted in view of Russia's actions destabilising the situation in Ukraine – Maintenance of the applicant's name on the list of entities to which restrictive measures apply – Withdrawal of the applicant's recognition – Prohibition preventing ships certified by the applicant from accessing ports and locks in the territory of the European Union – Jurisdiction of the General Court – Action for annulment – Lack of direct concern – Inadmissible in part – Competence of the Council – Obligation to state reasons – Rights of the defence – Right to effective judicial protection – Proportionality – Freedom to conduct a business – Review obligation)

In Case T-535/24,

Russian Maritime Register of Shipping, established in Saint Petersburg (Russia), represented by J. Iriarte Ángel, J. Ordóñez-Cobo, F. Rodríguez González-Chaves, lawyers, and C. Zatschler, Senior Counsel,

applicant,

v

Council of the European Union, represented by S. Lejeune and L. Berger, acting as Agents,

defendant,

supported by

European Commission, represented by M. Carpus-Carcea, R. Álvarez Vinagre and A. de Elera-San Miguel Hurtado, acting as Agents,

intervener,

THE GENERAL COURT (Seventh Chamber, sitting with five Judges),

composed of S. Papasavvas, President, K. Kecsmár, L. Madise, U. Öberg and L. Truchot (Rapporteur), Judges,

Registrar: I. Kurme, Administrator,

having regard to the written part of the procedure,

further to the hearing on 26 February 2026,

gives the following

Judgment

1 By its action under Article 263 TFEU, the applicant, the Russian Maritime Register of Shipping, seeks the annulment of:

– in the first place, (i) Article 1(4)(a) of Council Decision 2014/512/CFSP of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ 2014

L 229, p. 13), read in conjunction with Annex VI thereto, as amended by Council Decision (CFSP) 2022/395 of 9 March 2022 (OJ 2022 L 81, p. 8), (ii) Article 1aa(1)(a) of Decision 2014/512, read in conjunction with Annex X thereto, as amended by Council Decision (CFSP) 2022/1909 of 6 October 2022 (OJ 2022 L 259I, p. 122), (iii) Article 1ab of Decision 2014/512, as amended by Decision 2022/1909, and (iv) Article 4ha(1a) of Decision 2014/512, as amended by Decision 2022/1909 ('the disputed provisions of Decision 2014/512, as amended'), in so far as those provisions concern the applicant and to the extent that they were extended by Council Decision (CFSP) 2024/2026 of 22 July 2024 amending Decision 2014/512 (OJ L, 2024/2026), by Council Decision (CFSP) 2025/175 of 27 January 2025 amending Decision 2014/512 (OJ L, 2025/175), by Council Decision (CFSP) 2025/1320 of 30 June 2025 amending Decision 2014/512 (OJ L, 2025/1320) and by Council Decision (CFSP) 2025/2648 of 22 December 2025 amending Decision 2014/512 (OJ L, 2025/2648) (together, 'the contested decisions');

– in the second place, (i) Article 3ea(1a) of Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ 2014 L 229, p. 1), as amended by Council Regulation (EU) 2022/1904 of 6 October 2022 (OJ 2022 L 259I, p. 3), (ii) Article 5(4)(a) of Regulation No 833/2014, read in conjunction with Annex XIII thereto, as amended by Council Regulation (EU) 2022/394 of 9 March 2022 (OJ 2022 L 81, p. 1), (iii) Article 5aa(1)(a) of Regulation No 833/2014, read in conjunction with Annex XIX thereto, as amended by Regulation 2022/1904, and (iv) Article 5aa(4) of Regulation No 833/2014, as amended by Regulation 2022/1904 ('the disputed provisions of Regulation No 833/2014, as amended'), in so far as those provisions concern the applicant and to the extent that they were extended by the contested decisions and amended by Council Regulation (EU) 2025/1494 of 18 July 2025 amending Regulation No 833/2014 (OJ L, 2025/1494).

I. Background to the dispute and events subsequent to the bringing of the action

2 The applicant is a non-profit organisation wholly owned by the Russian State. It is established in Saint Petersburg (Russia) and carries out activities relating to the classification, inspection and certification of ships flying both Russian and non-Russian flags.

3 In 1998, the applicant was included on the list of organisations recognised at EU level under Regulation (EC) No 391/2009 of the European Parliament and of the Council of 23 April 2009 on common rules and standards for ship inspection and survey organisations (OJ 2009 L 131, p. 11), which may be authorised by a Member State to conduct, on its behalf, inspection, survey and certification activities in relation to ships flying its flag. It was also a member of the International Association of Classification Societies (IACS), until its exclusion on 11 March 2022.

4 The present case arises in the context of the restrictive measures adopted in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine.

5 On 31 July 2014, in the light of the gravity of the situation in Ukraine and despite the adoption of travel restrictions and asset freezes against certain natural and legal persons in March 2014, the Council of the European Union adopted, under Article 29 TEU, Decision 2014/512 in order to introduce targeted restrictive measures on access to capital markets, defence, dual-use goods and sensitive technologies. That same day, the Council adopted, under Article 215 TFEU, Regulation No 833/2014, which contains more detailed provisions to give effect to the requirements of Decision 2014/512 at both EU level and Member State level.

6 On 24 February 2022, following the invasion of Ukraine by Russian armed forces, the High Representative of the Union for Foreign Affairs and Security Policy published a declaration on behalf of the European Union condemning the actions of the Russian Federation and stated that the European Union's response would include both sectoral and individual restrictive measures.

7 It was against that background that the Council adopted a fresh package of measures against the Russian Federation, in addition to those that had already been adopted since 2014 in response to the annexation of Crimea and the destabilisation of Ukraine. In particular, the Council introduced the restrictive measures described below, the legality of which is disputed by the applicant in the present case.

A. Provisions disputed by the applicant

1. *The investment ban*

8 On 25 February 2022, the Council adopted Decision (CFSP) 2022/327 amending Decision 2014/512 (OJ 2022 L 48, p. 1), in which it stated that it was necessary – in view of the gravity of the situation and in response to the Russian Federation's actions destabilising the situation in Ukraine – to expand the financial restrictions existing at that time, in particular those concerning the access of certain Russian entities to capital markets (recitals 10 and 11 of Decision 2022/327).

9 Article 1(4)(a) of Decision 2014/512, as amended by Decision 2022/327, is worded as follows:

'It shall be prohibited to directly or indirectly purchase, sell, provide investment services for or assistance in the issuance of, or otherwise deal with transferable securities and money-market instruments, issued after 12 April 2022 by:

(a) a legal person, entity or body established in Russia, which is publicly controlled or with over 50% public ownership and in which Russia, its Government or Central Bank has the right to participate in profits or with which Russia, its Government or Central Bank has other substantial economic relationships, as listed in Annex VI; …'

10 On 9 March 2022, the Council adopted Decision 2022/395, recital 6 of which states:

'In view of the gravity of the situation, and in response to Russia's military aggression against Ukraine, it is appropriate to introduce further restrictive measures with regard to the export of maritime navigation goods and technology. It is also appropriate to expand the list of legal persons, entities and bodies subject to the prohibitions related to investment services, transferable securities, money market instruments, and loans. …'

11 Decision 2022/395 included the applicant's name on the list of legal persons, entities and bodies referred to in Article 1(4)(a) of Decision 2014/512, set out in Annex VI to the latter.

12 Article 5(4)(a) of Regulation No 833/2014, as amended by Council Regulation (EU) 2022/328 of 25 February 2022 (OJ 2022 L 49, p. 1), essentially reproduces the wording of Article 1(4)(a) cited in paragraph 9 above.

13 On 9 March 2022, the Council adopted Regulation 2022/394, recital 4 of which states that 'Decision … 2022/395 expands, to the maritime sector, the list of legal persons, entities and bodies subject to financing limitations via loans, transferable securities and money market instruments'. Consequently, the applicant's name was included on the list in Annex XIII to Regulation No 833/2014.

2. *The transaction ban*

14 On 15 March 2022, the Council adopted Decision (CFSP) 2022/430 amending Decision 2014/512 (OJ 2022 L 87I, p. 56), by which it deemed it necessary to prohibit all transactions with certain State-owned companies (recital 5 of Decision 2022/430).

15 Thus, Article 1aa(1)(a) of Decision 2014/512, as amended by Decision 2022/430, provides:

'It shall be prohibited to directly or indirectly engage in any transaction with:

(a) a legal person, entity or body established in Russia, which is [publicly] controlled or with over 50% public ownership or in which Russia, its Government or the Russian Central Bank has the right to participate in profits or with which Russia, its Government or the Russian Central Bank has other substantial economic relationship, as listed in Annex X; …'

16 On 6 October 2022, the Council adopted Decision 2022/1909, recitals 9 and 10 of which state:

'In view of the gravity of the situation it is appropriate to introduce further restrictive measures.

In particular, it is appropriate to expand the prohibition to engage in any transaction with certain Russian State-owned or State-controlled legal persons, entities or bodies by including a ban on Union nationals to hold any posts on the governing bodies of those legal persons, entities or bodies. It is also appropriate to add to the list of Russian State-owned or State-controlled entities that are subject to that transaction ban the Russian Maritime Register of Shipping, a 100% State-owned entity which performs activities related to the classification and inspection, including in the field of security, of Russian and non-Russian ships and crafts. That addition prohibits the provision of any sort of economically valuable benefit to [the applicant]. …'

17 Decision 2022/1909 included the applicant's name on the list of legal persons, entities and bodies referred to in Article 1aa of Decision 2014/512, set out in Part B of Annex X to the latter.

18 Article 5aa(1)(a) of Regulation No 833/2014, as amended by Council Regulation (EU) 2022/428 of 15 March 2022 (OJ 2022 L 87I, p. 13), essentially reproduces the wording of Article 1aa(1)(a) cited in paragraph 15 above.

19 On 6 October 2022, the Council adopted Regulation 2022/1904, recital 16 of which states that 'Decision … 2022/1909 adds to the list of Russian State-owned or controlled entities that are subject to the transaction ban the Russian Maritime Register of Shipping, a 100% State-owned entity which performs activities related to the classification and inspection, including in the field of security, of Russian and non-Russian ships and crafts' and that 'that addition prohibits the provision of any sort of economically valuable benefit to [the applicant].' Consequently, the applicant's name was included on the list in Part B of Annex XIX to Regulation No 833/2014.

3. ***The withdrawal of the applicant's recognition***

20 On 6 October 2022, the Council adopted Decision 2022/1909, recital 10 of which states:

'… it is also appropriate to require the withdrawal of authorisations granted by Member States to [the applicant] under Directive 2005/65/EC …, 2009/15/EC … or (EU) 2016/1629 … of the European Parliament and of the Council or Regulation (EC) No 725/2004 … of the European Parliament and of the Council.

To enable the Member States to effect such withdrawals in compliance with Regulation (EC) No 391/2009 of the European Parliament and of the Council … and Directive (EU) 2016/1629, it is also appropriate to withdraw the Union's recognition of [the applicant].'

21 Article 1(2) of Decision 2022/1909 thus inserted a new Article 1ab into Decision 2014/512, which reads as follows:

'1. Member States that have authorised the Russian Maritime Register of Shipping to undertake fully or in part inspections and surveys related to statutory certificates and, where appropriate, to issue or renew the related certificates in accordance with Article 3(2) and Article 5 of Directive 2009/15/EC of the European Parliament and of the Council … shall withdraw those authorisations in accordance with Article 8 of that Directive before 5 January 2023.

During the period until such authorisations have been withdrawn, Member States shall not allow, or grant a delegation to, [the applicant] to perform any of the tasks which, in accordance with Union rules on maritime safety, are reserved to organisations recognised by the Union, including to undertake inspections and surveys related to statutory certificates as well as to issue, endorse or renew the related certificates.

2. Any statutory certificates issued on behalf of a Member State by the Russian Maritime Register of Shipping before 7 October 2022 shall be withdrawn and terminated by the relevant Member State, acting as a flag State, before 8 April 2023.

3. By way of derogation from the procedure laid down in Article 7(3) of Regulation (EC) No 391/2009 of the European Parliament and of the Council and in Article 21(3) of Directive (EU) 2016/1629 of the European Parliament and of the Council, the Union's recognition of [the applicant] under Regulation (EC) No 391/2009 and Directive (EU) 2016/1629 is withdrawn.

4. Member States that have delegated any inspection-related duties to the Russian Maritime Register of Shipping, as defined in Article 20(3) of Directive (EU) 2016/1629, in particular to carry out technical inspections to check whether the craft complies with the technical requirements referred to in Directive (EU) 2016/1629, in particular in its Annexes II and V, shall withdraw those authorisations before 6 November 2022.

5. Member States that have delegated any security-related duties to the Russian Maritime Register of Shipping in accordance with point 4.3 of Annex II to Regulation (EC) No 725/2004 of the European Parliament and of the Council or with Article 11 of Directive 2005/65/EC of the European Parliament and of the Council, in particular relating to the issuance or renewal of International Ship Security Certificates and to any related verifications in accordance with points 19.1.2 and 19.2.2 of Annex II to Regulation (EC) No 725/2004, shall withdraw those authorisations before 5 January 2023.

6. Any International Ship Security Certificate issued on behalf of a Member State by the Russian Maritime Register of Shipping before 7 October 2022 shall be withdrawn and terminated by the relevant Member State, acting as a Contracting Government, before 8 April 2023.'

22 By Regulation 2022/1904, the Council inserted into Article 5aa of Regulation No 833/2014 a new paragraph 4, the wording of which reproduces that of Article 1ab(3) cited in paragraph 21 above.

4. ***The ban on access to ports and locks in the territory of the European Union***

23 On 8 April 2022, the Council adopted Decision (CFSP) 2022/578 amending Decision 2014/512 (OJ 2022 L 111, p. 70), recital 6 of which is worded as follows.

'In view of the gravity of the situation, and in response to Russia's military aggression against Ukraine, it is appropriate to introduce further restrictive measures. … Moreover, it is appropriate to prohibit access to ports in the territory of the Union to vessels registered under the flag of Russia. …'

24 Article 1(18) of Decision 2022/578 thus inserted into Decision 2014/512 a new Article 4ha, paragraph 1 of which, in the version in force on the date on which the present action was brought, provides as follows:

'It shall be prohibited to provide access, after 16 April 2022, to ports and, after 29 July 2022, to locks in the territory of the Union to any vessel registered under the flag of Russia, and for such vessels to access ports and locks, with the exception of access to locks for the purpose of leaving the territory of the Union.'

25 Recital 10 of Decision 2022/1909 states that 'it is appropriate to extend the port access and lock ban in the territory of the Union to vessels certified by [the applicant]'.

26 Article 1(9)(a) of Decision 2022/1909 thus inserted a new paragraph 1a into Article 4ha of Decision 2014/512, which reads as follows:

‘The prohibition in paragraph 1 shall also apply, after 8 April 2023, to any vessel certified by [the applicant].’

27 In addition, Article 1(9)(c) of Decision 2022/1909 amended Article 4ha(4) of Decision 2014/512 to read as follows:

‘Paragraphs 1 and 1a shall not apply in the case of a vessel in need of assistance seeking a place of refuge, of an emergency port call for reasons of maritime safety, or for saving life at sea.’

28 Article 3ea(1), (1a) and (4) of Regulation No 833/2014, as amended by Council Regulation (EU) 2022/576 of 8 April 2022 (OJ 2022 L 111, p. 1) and Regulation 2022/1904, reproduces the wording of Article 4ha(1), (1a) and (4) of Decision 2014/512, cited in paragraphs 24, 26 and 27 above.

B. Procedure before the Council

29 By letter of 2 May 2023, the applicant submitted a request to the Council, pursuant to Regulation No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ 2001 L 145, p. 43), seeking access to all the documents which had led the Council to adopt the restrictive measures concerning it.

30 The Council replied to the applicant by letter of 17 May 2023, stating that all the information serving as the basis for the adoption of the restrictive measures concerning it was set out in Decision 2014/512 and Regulation No 833/2014 and, in particular, in Article 1(4)(a), Article 1aa, Article 1ab and Article 4ha of that decision, as amended by Decision 2022/1909, in Article 3ea, Article 5(4)(a) and Article 5aa of Regulation No 833/2014, as amended, and in recital 16 of Regulation 2022/1904.

31 On 22 July 2024, the Council adopted Decision 2024/2026, which extended the application of Decision 2014/512 until 31 January 2025.

32 By letter of 13 September 2024, the applicant resubmitted the request referred to in paragraph 29 above and asked the Council whether the measures adopted in respect of it had been individually notified.

33 By letter of 26 September 2024, the Council informed the applicant that the request for access referred to in paragraph 32 above did not fall within the scope of Regulation No 1049/2001, but concerned privileged access in the field of restrictive measures.

34 By letter of 18 October 2024, the Council confirmed to the applicant that it had replied to the latter’s letter of 2 May 2023 on 17 May 2023. The Council also reminded the applicant that all the information serving as the basis for the restrictive measures against it was set out, inter alia, in the provisions referred to in paragraph 30 above. Furthermore, as regards the notification of those measures to the applicant, the Council stated that, in view of the sectoral nature of those measures, only a general notification had been effected by means of publication in the *Official Journal of the European Union*.

35 By letter of 1 November 2024, the applicant sent the Council a first request for reconsideration and asked it to lift the restrictive measures concerning it or, as the case may be, to adopt less onerous measures.

36 On 27 January 2025, the Council adopted Decision 2025/175, which extended the application of Decision 2014/512 until 31 July 2025.

37 By letter of 28 January 2025, the Council replied to the applicant’s request for reconsideration referred to in paragraph 35 above, informing it of that institution’s decision to maintain the restrictive measures against it and inviting it to submit any observations it might have before 24 May 2025.

38 On 23 May 2025, the applicant sent the Council a second request for reconsideration and asked for the restrictive measures concerning it not to be extended (‘the second request for reconsideration’).

39 On 30 June 2025, the Council adopted Decision 2025/1320, which extended the application of Decision 2014/512 until 31 January 2026.

40 On 8 July 2025, the Council replied to the applicant's second request for reconsideration, informing it of that institution's decision to maintain the restrictive measures against it and inviting it to submit any observations it might have before 5 December 2025.

41 On 18 July 2025, the Council adopted Regulation 2025/1494 amending certain provisions of Regulation No 833/2014.

42 On 5 December 2025, the applicant sent the Council a third request for reconsideration and asked it to lift the restrictive measures concerning it.

43 On 22 December 2025, the Council adopted Decision 2025/2648, which extended the application of Decision 2014/512 until 31 July 2026.

44 By letter of 17 February 2026, the Council replied to the applicant's third request for reconsideration, informing it of that institution's decision to maintain the restrictive measures against it and inviting it to submit any observations it might have before 13 May 2026.

II. **Forms of order sought**

45 Following successive modifications of the application pursuant to Article 86 of the Rules of Procedure of the General Court, in the form of order as it now stands, as clarified at the hearing, the applicant claims that the Court should:

– annul the disputed provisions of Decision 2014/512, as amended, as extended by the contested decisions, in so far as they concern the applicant;

– annul the disputed provisions of Regulation No 833/2014, as amended, as extended by the contested decisions and amended by Regulation 2025/1494, in so far as they concern the applicant;

– order the Council to pay the costs.

46 The Council, supported by the European Commission, contends that the Court should:

– dismiss the action as in part inadmissible and in part unfounded;

– order the applicant to pay the costs.

III. **Law**

47 In support of the present action, the applicant relies on four pleas in law, alleging, first, infringement of Article 7(3) of Regulation No 391/2009; secondly, breach of the principle of proportionality; thirdly, breach of the obligation to state reasons; and, fourthly, breach of the rights of the defence and of the right to effective judicial protection. In addition, in the second statement of modification, the applicant raises a fifth plea, alleging breach of the Council's review obligation.

48 After ruling on the question of the Court's jurisdiction and on the pleas of inadmissibility raised by the Council, the Court will examine the pleas relating to the formal legality of the provisions disputed by the applicant, referred to in paragraph 45 above, followed by the pleas relating to their merits.

A. **Jurisdiction of the Court**

49 The Council, supported by the Commission, submits that the Court does not have jurisdiction to review the legality of Article 4ha(1) and (2) of Decision 2014/512, as amended. According to the Council, those

provisions are decisions of general application which do not impose restrictive measures on natural or legal persons within the meaning of the second paragraph of Article 275 TFEU.

50 The applicant does not take a position on the question of the Court's jurisdiction in its pleadings.

51 It must be noted that the present action is not directed against Article 4ha(1) of Decision 2014/512, as amended, and that the applicant stated at the hearing that it was not seeking the annulment of Article 4ha(2) of that decision.

52 In those circumstances, there is no need to rule on the question of the Court's jurisdiction raised by the Council.

B. **Admissibility**

53 Without formally raising a plea of inadmissibility under Article 130(1) of the Rules of Procedure, the Council, supported by the Commission, submits that the present action is inadmissible in so far as it concerns, first, the disputed provisions of Regulation No 833/2014, as amended, and, secondly, Article 4ha(1a) of Decision 2014/512, as amended.

54 The applicant disputes that line of argument and maintains that the action is admissible in its entirety.

1. ***The first plea of inadmissibility, alleging that the second head of claim seeking annulment of the disputed provisions of Regulation No 833/2014, as amended, is inadmissible***

55 The Council, supported by the Commission, submits that the action for annulment of the disputed provisions of Regulation No 833/2014, as amended, is out of time, since that regulation was last amended more than three months before the date on which the present action was brought. Furthermore, according to the Council, Regulation No 833/2014 – which was adopted on a different legal basis than that underpinning Decision 2014/512 – is a legal act that is separate from that decision and is valid for an indefinite period, with the result that it does not require an extension, even though its maintenance in force presupposes that a decision has been validly adopted under the rules of the common foreign and security policy (CFSP).

56 The applicant disputes that line of argument and states that the extension of Decision 2014/512 by means of the contested decisions also entails the extension of Regulation No 833/2014, in so far as that regulation is based on that decision. In essence, Article 215 TFEU confers on the Council only the power to adopt regulations on the basis of a decision that has been validly adopted, in accordance with the provisions relating to the CFSP, and whose period of validity must be aligned with that of that decision. Thus, according to the applicant, in the absence of an expiry date for Regulation No 833/2014, it follows either that that regulation lapsed on the first expiry date of Decision 2014/512, or that it was readopted, in its entirety, following the entry into force of each amending regulation based on the version of Decision 2014/512 applicable at the relevant time.

57 As a preliminary point, it should be borne in mind that, under the sixth paragraph of Article 263 TFEU, an action for annulment must be brought within two months of the publication of the contested act, or of its notification to the applicant, or, in the absence thereof, of the day on which it came to the knowledge of the latter, as the case may be. Furthermore, according to Article 59 of the Rules of Procedure, where the time limit allowed for initiating proceedings against an act adopted by an institution runs from the publication of that act in the *Official Journal of the European Union*, that time limit is to be calculated from the end of the fourteenth day after such publication. Article 60 of those rules provides that that time limit must also be extended on account of distance by a single period of 10 days.

58 By its second head of claim, the applicant seeks the annulment of the disputed provisions of Regulation No 833/2014 'as amended by [Regulations 2022/394 and 2022/1904 and] as extended [by the contested decisions] … and as amended by [Regulation 2025/1494]'.

59 In the present case, it is common ground that the applicant did not bring, within the prescribed period, an action for annulment of Regulations 2022/394 and 2022/1904, by which the Council introduced into Regulation No 833/2014 the restrictive measures concerning it.

60 In the first place, the applicant nevertheless claims that the extension of Decision 2014/512 by means of the contested decisions also entailed the extension of Regulation No 833/2014 and caused the time limit for bringing an action to challenge the provisions of that regulation thus extended to run afresh.

61 In that regard, it should be recalled that, under Article 29 TEU, on the basis of which Decision 2014/512 and the contested decisions were adopted, 'the Council shall adopt decisions which shall define the approach of the Union to a particular matter of a geographical or thematic nature'.

62 Article 215 TFEU, which is the legal basis for Regulation No 833/2014 and Regulation 2025/1494, provides in paragraph 1 that 'where a decision, adopted in accordance with Chapter 2 of Title V of the Treaty on European Union [containing Article 29 TEU], provides for the interruption or reduction, in part or completely, of economic and financial relations with one or more third countries, the Council, acting by a qualified majority on a joint proposal from the High Representative of the Union for Foreign Affairs and Security Policy and the Commission, shall adopt the necessary measures [and] shall inform the European Parliament thereof'. Furthermore, under Article 215(2) TFEU, 'where a decision adopted in accordance with Chapter 2 of Title V of the Treaty on European Union so provides, the Council may adopt restrictive measures under the procedure referred to in paragraph 1 against natural or legal persons and groups or non-State entities'.

63 Thus, Article 215 TFEU, which serves as a bridge between the objectives of the EU Treaty in matters of the CFSP and the actions of the European Union involving economic measures falling within the scope of the FEU Treaty, permits the adoption of regulations by the Council in order to implement a decision adopted under Chapter 2 of Title V of the EU Treaty in the field of the CFSP and to ensure the uniform application of the restrictive measures provided for in all the Member States (see, to that effect, judgment of 16 October 2025, *Timchenko and Timchenko* v *Council*, C-805/24 P, EU:C:2025:792, paragraph 24 and the case-law cited).

64 In addition, a prerequisite for the validity of a regulation adopted on the basis of Article 215 TFEU is the prior adoption of a valid decision in accordance with the provisions relating to the CFSP (judgment of 28 March 2017, *Rosneft*, C-72/15, EU:C:2017:236, paragraph 55; see also, to that effect, judgment of 19 July 2012, *Parliament* v *Council*, C-130/10, EU:C:2012:472, paragraph 47). In other words, the adoption of a regulation on the basis of Article 215 TFEU is conditional on the adoption of a decision under Article 29 TEU (judgment of 9 June 2021, *Borborudi* v *Council*, T-580/19, EU:T:2021:330, paragraph 27).

65 However, it should be borne in mind that decisions adopted on the basis of Article 29 TEU and regulations adopted on the basis of Article 215 TFEU are two types of act, the first declaring the European Union's position with respect to the restrictive measures to be adopted and the second constituting the instrument giving effect to those measures at EU level (see judgment of 9 June 2021, *Borborudi* v *Council*, T-580/19, EU:T:2021:330, paragraph 26 and the case-law cited).

66 Thus, the objective of Regulation No 833/2014, which was adopted on the basis of Article 215 TFEU and cites Decision 2014/512 as the legal base, is to give effect to the provisions of that decision at EU level and to ensure the uniform application of the restrictive measures in all the Member States.

67 Despite the close connection between those two types of act, the fact remains that they are distinct and independent of each other (see, to that effect, judgment of 9 June 2021, *Borborudi* v *Council*, T-580/19, EU:T:2021:330, paragraph 28).

68 In that regard, it must be pointed out that the period of application of Decision 2014/512 is limited by Article 9(1) thereof and that that decision is, in accordance with Article 9(2), to be kept under constant

review and is to be renewed or amended if the Council deems that its objectives have not been met. It was on that basis that each of the contested decisions extended the application of Decision 2014/512 for an additional period of six months, the date of expiry of that decision being, as of the date of delivery of the present judgment, 31 July 2026.

69 By contrast, Regulation No 833/2014 does not contain a provision similar to that referred to above, since Article 14 thereof merely states that that regulation 'shall enter into force on the day following that of its publication in the *Official Journal of the European Union*' and that it 'shall be binding in its entirety and directly applicable in all Member States'.

70 Thus, unlike Decision 2014/512, Regulation No 833/2014 does not lay down any limitation in time on its application, so that it is not necessary for the Council to adopt a specific legal act in order to extend its application (see, to that effect and by analogy, order of 15 February 2016, *Ezz and Others* v *Council*, T-279/13, not published, EU:T:2016:78, paragraph 37).

71 It follows from the foregoing that the contested decisions, adopted on the basis of Article 29 TEU, do not have the effect of extending the application of Regulation No 833/2014, adopted under Article 215 TFEU, which does not contain any provision limiting its period of validity.

72 In the second place, the applicant seeks, in the alternative, in the second statement of modification, the annulment of Regulation No 833/2014, as amended by Regulation 2025/1494.

73 According to the Council, supported by the Commission, since the initial action is inadmissible in so far as it relates to Regulation No 833/2014, the modification of the application concerning Regulation 2025/1494, which amends Regulation No 833/2014, must also be declared inadmissible.

74 In that regard, it should be borne in mind that, since the conditions governing the admissibility of actions are to be assessed on the date on which the action was brought, an applicant is allowed to adapt its form of order and pleas so as to cover new acts adopted during the proceedings only if its application for annulment of the act initially challenged was itself admissible on the date on which it was brought (see judgment of 3 July 2014, *Alchaar* v *Council*, T-203/12, not published, EU:T:2014:602, paragraph 46 and the case-law cited).

75 It follows that the application for annulment of Regulation 2025/1494 must be declared inadmissible as a result of the inadmissibility of the initial action in so far as that action relates to the disputed provisions of Regulation No 833/2014, as amended.

76 Consequently, the first plea of inadmissibility raised by the Council must be upheld and, accordingly, the applicant's second head of claim must be declared inadmissible, without prejudice to the consequences which the possible annulment of the disputed provisions of Decision 2014/512, as amended, might have for the disputed provisions of Regulation No 833/2014, as amended (see paragraph 344 et seq. below).

2. *The second plea of inadmissibility, alleging that the application for annulment of Article 4ha(1a) of Decision 2014/512, as amended, is inadmissible*

77 The Council, supported by the Commission, submits that the applicant is not directly concerned by Article 4ha(1a) of Decision 2014/512, as amended, and that it therefore does not have standing to bring proceedings for the purpose of the fourth paragraph of Article 263 TFEU. According to the Council, the ban on access to ports and locks in the territory of the European Union, which applies to ships certified by the applicant, affects only the legal situation of those ships and not that of the applicant. Moreover, an effect on the applicant's material situation alone is not sufficient to satisfy the condition of direct concern.

78 The applicant disputes that proposition and submits, as its principal argument, that the prohibition laid down in Article 4ha(1a) of Decision 2014/512, as amended, is of individual and direct concern to it. In the alternative, it submits that, since it is named in that article, that provision amounts to an individual measure

addressed to it, with the result that it must be regarded as the addressee of that measure for the purpose of the first limb of the fourth paragraph of Article 263 TFEU.

79 Under the fourth paragraph of Article 263 TFEU, natural or legal persons may, under the conditions laid down in the first and second paragraphs of that article, institute proceedings against acts addressed to them (first limb), against acts which are of direct and individual concern to them (second limb), and against regulatory acts which are of direct concern to them and do not entail implementing measures (third limb).

80 As a preliminary point, the Court must reject the argument put forward by the applicant in the alternative, referred to in paragraph 78 above, claiming that Article 4ha(1a) of Decision 2014/512, as amended, is addressed to it, in terms of the first limb of the fourth paragraph of Article 263 TFEU.

81 The concept of an act 'addressed' to a person within the meaning of the first limb of the fourth paragraph of Article 263 TFEU must be understood in a formal sense as referring to the person designated by that act as its addressee. The fact that the content of an act may apply to persons other than the formal addressee thereof may, it is true, confer standing on those persons if they demonstrate, amongst other things, that, having regard to that content, the act is of direct concern to them, but not on the basis that the act is addressed to them (see, to that effect, judgment of 21 January 2016, *SACBO* v *Commission and INEA*, C-281/14 P, not published, EU:C:2016:46, paragraph 34).

82 Thus, since the applicant is not designated as the addressee of Article 4ha(1a) of Decision 2014/512, as amended, it may bring an action for annulment of that provision only in the other two scenarios envisaged in the second limb (direct and individual concern) and the third limb (regulatory act which is of direct concern and does not entail implementing measures) of the fourth paragraph of Article 263 TFEU, bearing in mind that the conditions of each of those scenarios are cumulative (see, to that effect, order of 8 October 2015, *Agrotikos Synetairismos Profitis Ilias* v *Council*, T-731/14, not published, EU:T:2015:821, paragraph 23 and the case-law cited).

83 Since direct concern is a condition of admissibility common to the two scenarios referred to in paragraph 82 above, it is necessary to ascertain whether that condition is satisfied in the present case.

84 In that regard, it follows from settled case-law that the condition that a natural or legal person must be directly concerned, as laid down in the fourth paragraph of Article 263 TFEU, requires two cumulative criteria to be fulfilled, namely, first, the contested measure must directly affect the legal position of the individual and, secondly, it must leave no discretion to its addressees who are entrusted with the task of implementing it, such implementation being purely automatic and resulting from EU rules alone without the application of other intermediate rules (see judgments of 22 June 2021, *Venezuela* v *Council (Whether a third State is affected)*, C-872/19 P, EU:C:2021:507, paragraph 61 and the case-law cited, and of 17 April 2024, *Cogebi and Cogebi* v *Council*, T-782/22, not published, EU:T:2024:249, paragraph 54).

85 In the present case, Article 4ha(1a) of Decision 2014/512, as amended, prohibits EU operators from granting access to ports and locks in the territory of the European Union to any ship certified by the applicant.

86 In the first place, as regards the criterion excluding any discretion on the part of the addressees entrusted with the task of implementing such a prohibition, suffice it to note that that prohibition flows directly from the wording of Article 4ha(1a) of Decision 2014/512, as amended.

87 It is apparent from the mandatory language in which Article 4ha(1a) of Decision 2014/512, as amended, is couched, read in conjunction with Article 4(1) thereof ('it shall be prohibited to provide access'; 'the prohibition in paragraph 1 shall also apply'), that EU operators have no discretion in the implementation of that prohibition, which is purely automatic (see, by analogy, judgment of 17 April 2024, *Cogebi and Cogebi* v *Council*, T-782/22, not published, EU:T:2024:249, paragraph 60 and the case-law cited).

88 In the second place, with respect to the criterion requiring the applicant's legal position to be directly affected, it follows from the case-law that a provision directly affects the legal position of individuals if it restricts their rights or imposes obligations on them (see judgment of 24 September 2025, *Mowi Poland* v *Commission*, T-354/24, EU:T:2025:913, paragraph 24 and the case-law cited).

89 In the present case, the ban on access to ports and locks in the territory of the European Union applies to ships certified by the applicant.

90 It is therefore the legal position of ships certified by the applicant which is directly affected by the ban, in so far as their right of access to ports and locks in the territory of the European Union is now restricted, within the meaning of the case-law cited in paragraph 88 above.

91 However, that is not the case with regard to the applicant, whose legal position is not directly affected by that ban. In particular, contrary to the applicant's submissions, Article 4ha(1a) of Decision 2014/512, as amended, does not have the effect of prohibiting it from certifying ships.

92 It is true that the applicant's activities are liable, as it claims, to be adversely affected by the reduction in the number of ships which could call on its certification services in the European Union. Such effects are, however, an indirect economic consequence of the ban at issue, resulting from a change in the behaviour of the applicant's customers, and not from a restriction of its rights or the imposition of an obligation (see, to that effect and by analogy, order of 17 October 2024, *Acqua & Sole* v *Commission*, T-39/23, not published, EU:T:2024:710, paragraph 83). Moreover, the fact that that ban places the applicant in an unfavourable commercial position does not permit the inference that its legal position is affected and that it is therefore directly concerned for the purpose of the fourth paragraph of Article 263 TFEU (see, to that effect, order of 17 October 2024, *Acqua & Sole* v *Commission*, T-39/23, not published, EU:T:2024:710, paragraph 87 and the case-law cited).

93 It follows from the foregoing that Article 4ha(1a) of Decision 2014/512, as amended, does not directly affect the applicant's legal position.

94 That finding cannot be called into question by the following arguments advanced by the applicant.

95 First, the applicant submits, in the light of the judgments of 13 September 2018, *Almaz-Antey* v *Council* (T-515/15, not published, EU:T:2018:545), and of 15 May 2024, *Russian Direct Investment Fund* v *Council* (T-235/22, not published, EU:T:2024:311), that the mere fact of being 'designated individually by name' in Article 4ha(1a) of Decision 2014/512, as amended, supports the conclusion, in the present case, that its legal position is directly affected.

96 It is true that the Court held, in its judgments of 13 September 2018, *Almaz-Antey* v *Council* (T-515/15, not published, EU:T:2018:545), and of 15 May 2024, *Russian Direct Investment Fund* v *Council* (T-235/22, not published, EU:T:2024:311), that 'the … provisions [at issue] … directly affect the legal situation of the applicant, which is designated by name in Annex IV to Decision 2014/512' (judgment of 13 September 2018, *Almaz-Antey* v *Council*, T-515/15, not published, EU:T:2018:545, paragraph 64) and that 'the measures at issue apply directly to [the applicant], as an immediate consequence of the fact that it is expressly targeted by those provisions' (judgment of 15 May 2024, *Russian Direct Investment Fund* v *Council*, T-235/22, not published, EU:T:2024:311, paragraph 33).

97 However, it must be pointed out that the present case differs from those cited in paragraph 96 above.

98 Those two cases concerned prohibitions preventing EU operators from carrying out certain financial transactions with legal persons, entities or bodies that fulfilled the criteria laid down in the acts at issue and whose names were included in the annex to those acts.

99 Thus, the Court held that prohibiting EU operators from carrying out such transactions with entities established outside the European Union amounted to prohibiting those entities from carrying out the

transactions in question with EU operators (judgments of 22 June 2021, *Venezuela* v *Council (Whether a third State is affected)*, C-872/19 P, EU:C:2021:507, paragraph 68, and of 13 September 2018, *Almaz-Antey* v *Council*, T-515/15, not published, EU:T:2018:545, paragraph 65). According to the Court, the relevant prohibitions therefore applied not only to EU operators, but also to the persons referred to in the annex to the acts at issue.

100 By contrast, in the present case, the prohibition introduced by Article 4ha(1a) of Decision 2014/512, as amended, applies (i) to EU operators, which are no longer authorised to grant access to ports and locks in the territory of the European Union to ships certified by the applicant, and (ii) to those ships, which have been denied such access since 9 April 2023. The applicant is indeed covered by that provision, but only indirectly, as a criterion for identifying the ships to which the prohibition applies.

101 Accordingly, the case-law relied on by the applicant, cited in paragraph 95 above, does not support the conclusion that its legal position is directly affected. Moreover, interpreting that case-law as meaning that an applicant may be directly concerned solely because it is 'designated individually by name' by a provision establishing a restrictive measure risks blurring the distinction between the condition of direct concern and that of individual concern, even though those two conditions are cumulative (see order of 4 October 2024, *Vossoko* v *Commission*, T-1059/23, not published, EU:T:2024:689, paragraph 58 and the case-law cited).

102 The applicant's first argument must therefore be rejected.

103 Secondly, the applicant submits, relying on the judgment of 17 April 2024, *Cogebi and Cogebi* v *Council* (T-782/22, not published, EU:T:2024:249), that Article 4ha(1a) of Decision 2014/512, as amended, affects its substantive situation, which should be taken into account in determining whether the first criterion of direct concern referred to in paragraph 84 above is met.

104 It should, however, be borne in mind that, according to the Court, the mere fact that an act may exercise an influence on an applicant's substantive situation cannot be sufficient ground for that applicant to be regarded as directly concerned by the act (judgment of 21 October 2021, *Lípidos Santiga* v *Commission*, C-402/20 P, not published, EU:C:2021:872, paragraph 20) and that it is wrong to take account of the non-legal, economic effects of an act (see, to that effect, judgment of 5 November 2019, *ECB and Others* v *Trasta Komercbanka and Others*, C-663/17 P, C-665/17 P and C-669/17 P, EU:C:2019:923, paragraphs 108 and 109), cases which were also cited in paragraph 63 of the judgment of 17 April 2024, *Cogebi and Cogebi* v *Council* (T-782/22, not published, EU:T:2024:249).

105 Furthermore, it should be observed that, in the judgment of 17 April 2024, *Cogebi and Cogebi* v *Council* (T-782/22, not published, EU:T:2024:249), the applicants' direct concern was not based solely on the change in their substantive situation, inasmuch as the provision at issue 'not only has an impact on the applicants' substantive situation; it also amounts to a prohibition of a legal nature directly affecting one of the activities which the applicants carried out on the date of adoption of [that] provision' (judgment of 17 April 2024, *Cogebi and Cogebi* v *Council*, T-782/22, not published, EU:T:2024:249, paragraphs 59 and 64).

106 That is not the case here, given that the applicant's legal position is not directly affected by the prohibition laid down in Article 4ha(1a) of Decision 2014/512, as amended (see paragraphs 83 to 93 above).

107 The applicant's second argument must therefore be rejected.

108 Since the condition of direct concern is not satisfied, it must be found that the applicant does not have standing to bring proceedings as regards the application for annulment of Article 4ha(1a) of Decision 2014/512, as amended, without it being necessary to rule on the other conditions laid down in the fourth paragraph of Article 263 TFEU. The second plea of inadmissibility raised by the Council must therefore be upheld.

109 It follows from all the considerations set out in paragraphs 49 to 108 above that the present action is admissible only in so far as it seeks the annulment of (i) Article 1(4)(a) of Decision 2014/512, read in conjunction with Annex VI thereto, as amended by Decision 2022/395 ('the investment ban'), (ii) Article 1aa(1)(a) of Decision 2014/512, read in conjunction with Annex X thereto, as amended by Decision 2022/1909 ('the transaction ban'), and (iii) Article 1ab of Decision 2014/512, as amended by Decision 2022/1909 ('the withdrawal of recognition'), in so far as all of those measures, as extended by the contested decisions, concern the applicant ('the contested restrictive measures').

110 It is in the light of those considerations that the Court must examine the merits of the present action, beginning with an analysis of the third plea, alleging breach of the obligation to state reasons.

C. **Substance**

1. ***The third plea in law, alleging breach of the obligation to state reasons***

111 The applicant submits that the statement of reasons provided by the Council for adopting and maintaining the contested restrictive measures fails to discharge that institution's obligation under the second paragraph of Article 296 TFEU.

112 In essence, according to the applicant, the Council confined itself to giving a general and formulaic statement of reasons, which does not set out the actual and specific reasons justifying the adoption of the contested restrictive measures, measures which the applicant maintains are of an individual nature. Furthermore, contrary to what the Council claims, a combined reading of recitals 1 to 6 of Decision 2022/395 and Article 1(4)(a) of Decision 2014/512, as amended (the investment ban), of recitals 1 to 10 of Decision 2022/1909 and of Article 1aa(1)(a) of Decision 2014/512, as amended (the transaction ban), and of Article 1ab of Decision 2014/512, as amended (the withdrawal of recognition), does not, it is argued, enable the applicant to ascertain the reasons for the adoption and maintenance of the contested restrictive measures against it.

113 The Council, supported by the Commission, disputes those arguments.

114 The second paragraph of Article 296 TFEU provides that 'legal acts shall state the reasons on which they are based'. Furthermore, under Article 41(2)(c) of the Charter of Fundamental Rights of the European Union ('the Charter'), the right to good administration includes, in particular, 'the obligation of the administration to give reasons for its decisions'.

115 It should be recalled that the purpose of the obligation to state the reasons on which an act adversely affecting an individual is based, which is a corollary of the principle of respect for the rights of the defence, is, first, to provide the person concerned with sufficient information to make it possible to ascertain whether the act is well founded or whether it is vitiated by a defect which may permit its legality to be contested before the EU Courts and, secondly, to enable those Courts to review the legality of that act (see judgment of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 102 and the case-law cited).

116 According to settled case-law, the statement of reasons required by Article 296 TFEU and Article 41(2)(c) of the Charter must be appropriate to the nature of the contested act and to the context in which it was adopted. The requirements to be satisfied by the statement of reasons depend on the circumstances of each case, in particular the content of the act in question, the nature of the reasons given and the interest which the addressees of the act, or other parties to whom it is of direct and individual concern, may have in obtaining explanations. It is not necessary for the reasoning to go into all the relevant facts and points of law, since the question whether the statement of reasons is sufficient must be assessed with regard not only to its wording but also to its context and to all the legal rules governing the matter in question. The reasons given for an act adversely affecting a person are sufficient if that act was adopted in a context which was known to that person and which enables him or her to understand the scope of the measure concerning him or her (see judgment of 5 February 2026, *VEB.RF* v *Council*, C-572/24 P, not published, EU:C:2026:74,

paragraph 45 and the case-law cited; see also, to that effect, judgment of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraphs 103 and 104).

117 Furthermore, as regards restrictive measures, the obligation to state reasons laid down in Article 296 TFEU requires in all circumstances that that statement of reasons identify the individual, specific and concrete reasons why the competent authorities consider that the person concerned must be subject to such measures. The EU Courts must, therefore, in particular determine whether the reasons relied on are sufficiently detailed and specific (see judgment of 5 February 2026, *VEB.RF* v *Council*, C-572/24 P, not published, EU:C:2026:74, paragraph 46 and the case-law cited).

118 In addition, it must be borne in mind that the obligation to state reasons laid down in Article 296 TFEU is an essential procedural requirement which must be distinguished from the question whether the reasoning is well founded, which goes to the substantive legality of the act at issue. The reasoning for a decision consists in a formal statement of the grounds on which that decision is based. If those grounds are vitiated by errors, those errors will vitiate the substantive legality of the decision, but not the statement of reasons in it, which may be adequate even though it sets out reasons which are incorrect (see judgment of 18 June 2015, *Ipatau* v *Council*, C-535/14 P, EU:C:2015:407, paragraph 37 and the case-law cited).

119 It is in the light of those principles that the Court must examine the third plea.

120 In the first place, it must be pointed out that the contested restrictive measures form part of the context, known to the applicant, of the international tension which preceded the adoption of Decision 2014/512. In particular, it is apparent from recitals 1 to 8 of that decision that the stated objective of those measures is to increase the costs of the Russian Federation's actions to undermine Ukraine's territorial integrity, sovereignty and independence, and to promote a peaceful settlement of the crisis. Decision 2014/512 thus describes the overall situation that led to its adoption and the general objectives it is intended to achieve (see judgment of 13 September 2018, *Almaz-Antey* v *Council*, T-515/15, not published, EU:T:2018:545, paragraph 90 and the case-law cited).

121 In the second place, as regards the actual and specific reasons for adopting and maintaining the contested restrictive measures against the applicant, the Court considers it appropriate to examine in turn each of those measures and their extension by means of the contested decisions.

(a) ***The investment ban***

122 As stated in paragraph 8 above, it is apparent from recitals 10 and 11 of Decision 2022/327 that the Council considered it necessary – in view of the gravity of the situation and in response to the Russian Federation's actions destabilising the situation in Ukraine – to expand the financial restrictions existing at that time, in particular those concerning the access of certain Russian entities to capital markets.

123 Thus, Article 1(4)(a) of Decision 2014/512, as amended by Decision 2022/327, prohibits – under the conditions laid down by that provision – the direct or indirect purchase of, sale of, provision of investment services for or assistance in the issuance of, or any other dealing with, transferable securities and money market instruments, issued after 12 April 2022 by a legal person, entity or body established in Russia, included in Annex VI to Decision 2014/512, which is publicly controlled or over 50% of which is publicly owned and in which Russia, its government or its central bank has the right to participate in profits or with which Russia, its government or the central bank has other substantial economic relationships.

124 In the present case, Decision 2022/395 included the applicant's name on the list in Annex VI to Decision 2014/512 (see paragraph 11 above).

125 It is true that it is common ground that Annex VI to Decision 2014/512 does not contain a specific statement of reasons for each of the entities referred to therein.

126 However, it is apparent from recital 6 of Decision 2022/395 that the Council considered it necessary – in view of the gravity of the situation and in response to the Russian Federation's military aggression against Ukraine – to expand the list of legal persons, entities and bodies subject to the prohibitions relating to investment services, transferable securities, money market instruments and loans. It is also to that effect that recital 4 of Regulation 2022/394, which forms part of the context in which the investment ban was extended to cover the applicant, states that 'Decision … 2022/395 expands, to the maritime sector, the list of legal persons, entities and bodies subject to financing limitations via loans, transferable securities and money market instruments'.

127 Although recitals do not, as such, have normative value, it nevertheless follows from the case-law that they may assist the applicant in understanding the statement of reasons for the restrictive measures adopted against him or her (see, to that effect, judgment of 12 June 2024, *VEB.RF* v *Council*, T-288/22, not published, EU:T:2024:372, paragraph 75), since the very function of recitals is to set out the reasons for the adoption of a measure (see judgment of 5 February 2026, *VEB.RF* v *Council*, C-572/24 P, not published, EU:C:2026:74, paragraph 70 and the case-law cited). Furthermore, the fact that the same considerations were relied on in order to adopt restrictive measures against more than one person does not prevent those considerations from constituting a sufficiently specific statement of reasons for each of the persons concerned (see judgment of 12 June 2024, *VEB.RF* v *Council*, T-288/22, not published, EU:T:2024:372, paragraph 76 and the case-law cited).

128 Furthermore, the actual and specific reasons why the Council considers that the name of a person must be included on the list of persons subject to restrictive measures may be inferred from the general provisions of the acts laying down those measures. Thus, the Council fulfils its obligation to state reasons where those reasons are set out in the recitals of the act by which it adopts the restrictive measures at issue, which must be read alongside the provisions of that act (see, to that effect, judgment of 5 February 2026, *VEB.RF* v *Council*, T-572/24 P, not published, EU:T:2026:74, paragraphs 73 and 74 and the case-law cited).

129 It follows that, irrespective of the fact that the statement of reasons in question does not expressly refer to the applicant (see, to that effect, judgment of 12 June 2024, *VEB.RF* v *Council*, T-288/22, not published, EU:T:2024:372, paragraph 74), the actual and specific reasons why the Council considered, in the exercise of its discretion, that it should be subject to the investment ban are reflected, in the present case, in the criteria set out in Article 1(4)(a) of Decision 2014/512, as amended, read in the light of recital 6 of Decision 2022/395 and recital 4 of Regulation 2022/394, criteria which, moreover, the applicant does not deny meeting (see, to that effect, judgment of 17 September 2020, *Rosneft and Others* v *Council*, C-732/18 P, not published, EU:C:2020:727, paragraph 81).

130 The applicant was therefore included on the list in Annex VI to Decision 2014/512, as amended, solely because it satisfied the actual and specific conditions laid down in Article 1(4)(a) of that decision, which enable it to understand that such inclusion occurred in the context of an extension of the investment ban to cover the maritime sector, in which the applicant, contrary to what it claims, operates.

131 In its pleadings and in its founding charter, the applicant describes itself as 'a leading internationally recognised classification society, renowned for its competences involving maritime civil sea traffic in the Arctic, ice ships, high-tech icebreakers and ice-resistant equipment to develop offshore oil-and-gas fields', the objects of which include ensuring the safe navigation of ships.

132 It follows that the applicant was in a position to ascertain the actual and specific reasons, within the meaning of the case-law cited in paragraph 117 above, which led the Council to impose the investment ban on it.

(b) ***The transaction ban***

133 As indicated in paragraph 14 above, following the Russian Federation's military aggression against Ukraine, the Council considered it necessary to introduce further restrictive measures and, as is apparent from recital 5 of Decision 2022/430, to prohibit all transactions with certain State-owned companies.

134 Thus, Article 1aa(1)(a) of Decision 2014/512, as amended by Decision 2022/430, prohibits the direct or indirect engagement in any transaction with a legal person, entity or body established in Russia, which is publicly controlled or over 50% of which is publicly owned or in which Russia, its government or the Russian central bank has the right to participate in profits or with which Russia, its government or the Russian central bank has other substantial economic relationships, as listed in Annex X to that decision.

135 In addition, it is apparent from recitals 8 and 9 of Decision 2022/1909, by which the applicant's name was included on the list in Annex X to Decision 2014/512 (see paragraph 17 above), that, in view of the gravity of the situation, the Council considered it necessary to introduce further restrictive measures in response to the illegal actions of the Russian Federation, in order to 'further increase pressure on Russia to end its war of aggression'.

136 Against that background, the Council took the view that it was appropriate to expand the prohibition on engaging in any transactions with certain Russian State-owned or State-controlled legal persons, entities or bodies and, as is apparent from recital 10 of Decision 2022/1909, 'to add [the applicant] to the list of Russian State-owned or State-controlled entities that are subject to that transaction ban', explaining that the applicant was 'a 100% State-owned entity which performs activities related to the classification and inspection, including in the field of security, of Russian and non-Russian ships and crafts'. According to that recital, such an addition prohibits 'the provision of any sort of economically valuable benefit' to the applicant.

137 The applicant nevertheless submits that it is not possible to ascertain the actual and specific reasons which led the Council to include its name on the list in Annex X to Decision 2014/512.

138 It must, however, be found, in the light of the case-law cited in paragraphs 127 and 128 above, that the actual and specific reasons why the Council considered that the applicant should be subject to the transaction ban are reflected, in the present case, in the criteria laid down in Article 1aa(1)(a) of Decision 2014/512, as amended.

139 In particular, it can be ascertained from reading Article 1aa(1)(a) of Decision 2014/512, as amended, alongside recital 10 of Decision 2022/1909 that it was in its capacity as an entity wholly owned by the Russian State that the applicant's name was included on the list of entities subject to the transaction ban, set out in Annex X to Decision 2014/512.

140 Since the applicant is one of the entities referred to in Article 1aa(1)(a) of Decision 2014/512, as amended, no additional statement of reasons can be required in order to justify the application of the transaction ban to it (see, to that effect, judgment of 13 September 2018, *Gazprom Neft* v *Council*, T-735/14 and T-799/14, EU:T:2018:548, paragraph 123).

141 It follows that the applicant was in a position to ascertain the actual and specific reasons, within the meaning of the case-law cited in paragraph 117 above, which led the Council to impose the transaction ban on it.

(c) ***The withdrawal of recognition***

142 As stated in paragraphs 20 and 21 above, Article 1ab of Decision 2014/512, as amended, provides for the withdrawal of the recognition granted to the applicant under Regulation No 391/2009 and Directive (EU) 2016/1629 of the European Parliament and of the Council of 14 September 2016 laying down technical requirements for inland waterway vessels, amending Directive 2009/100/EC and repealing Directive 2006/87/EC (OJ 2016 L 252, p. 118).

143 In that connection, it should be observed that that article was inserted into Decision 2014/512 by Decision 2022/1909, recital 10 of which is reproduced in paragraph 20 above.

144 According to the applicant, recital 10 of Decision 2022/1909 does not enable it to ascertain the actual and specific reasons which led the Council to withdraw its recognition. In particular, such withdrawal cannot be grounded on its status as an entity wholly owned by the Russian State, since, according to that recital, that status only justifies the transaction ban.

145 However, it should be pointed out, first, that it follows from the wording of recital 10 of Decision 2022/1909 that the withdrawal of the applicant's recognition is justified by its status as an entity wholly owned by the Russian State and by the resulting transaction ban.

146 Indeed, recital 10 of Decision 2022/1909 begins with a first sentence stating that it is appropriate 'to expand the prohibition to engage in any transaction with certain Russian State-owned or State-controlled legal persons, entities or bodies'. The second sentence of that recital continues along the same lines, stating that 'it is also appropriate to add to the list of Russian State-owned or State-controlled entities that are subject to that transaction ban [the applicant], a 100% State-owned entity which performs activities related to the classification and inspection, including in the field of security, of Russian and non-Russian ships and crafts'. The third sentence also concerns the transaction ban, inasmuch as it makes clear that 'that addition [namely the addition to the list of Russian State-owned or State-controlled entities subject to the transaction ban] prohibits the provision of any sort of economically valuable benefit to [the applicant]'. The fourth sentence also links back to the preceding sentences, in so far as it states that 'in this regard, it is also appropriate to require the withdrawal of authorisations granted by Member States to [the applicant]' and, to that end, the fifth sentence of recital 10 makes clear that it is appropriate 'to withdraw the Union's recognition of [the applicant]'.

147 It follows from this that the withdrawal of recognition is directly linked to the transaction ban to which the applicant is subject, owing to its status as an entity wholly owned by the Russian State.

148 In addition, it is apparent from recital 10 of Decision 2022/1909 that the activities performed by the applicant relate 'to the classification and inspection, including in the field of security, of Russian and non-Russian ships and crafts'.

149 As the applicant itself points out, its recognition under Regulation No 391/2009 was the legal basis allowing Member States to delegate to it, pursuant to Directive 2009/15/EC of the European Parliament and of the Council of 23 April 2009 on common rules and standards for ship inspection and survey organisations and for the relevant activities of maritime administrations (OJ 2009 L 131, p. 47), the inspection and survey of ships flying their flags.

150 The transaction ban therefore meant that both the competent authorities of the Member States and the ships flying their flags could no longer have recourse to the certification and classification services offered by the applicant.

151 Secondly, that interpretation is borne out by the internal context of Decision 2014/512, as amended, and, in particular, by the place occupied by Article 1ab within that decision. That article was inserted into that decision directly after Article 1aa, which establishes the principle of the transaction ban, thereby ratifying the link between the withdrawal of recognition and that ban. Such a link is all the more evident in Regulation No 833/2014, as amended, inasmuch as the withdrawal of recognition was incorporated into Article 5aa of that regulation – concerning the transaction ban – as a new paragraph 4 of that article.

152 Thus, contrary to what the applicant claims, the statement of reasons provided by the Council identifies the actual and specific reasons, within the meaning of the case-law cited in paragraph 117 above, which led the Council to withdraw its recognition.

153 It follows from the considerations set out in paragraphs 122 to 152 above that the actual and specific reasons which led the Council to adopt the contested restrictive measures against the applicant are stated in a sufficiently clear manner to enable it to understand them.

(d) ***The extension of the contested restrictive measures***

154 It should be pointed out that the extension of the contested restrictive measures by means of the contested decisions is justified in the light of recitals 2 and 3 of those decisions, which refer to the continuing situation in Ukraine as a result of the illegal actions committed by the Russian Federation and, consequently, to the need to maintain the measures imposed by the European Union (see, to that effect, judgments of 13 September 2018, *Almaz-Antey* v *Council*, T-515/15, not published, EU:T:2018:545, paragraph 97, and of 12 June 2024, *VEB.RF* v *Council*, T-288/22, not published, EU:T:2024:372, paragraph 80).

155 Having regard to all the foregoing, the applicant was in a position to ascertain, in view of the general context which led to the adoption of the contested restrictive measures and their extension, the actual and specific reasons on which those measures and their maintenance vis-à-vis the applicant were based.

156 That conclusion cannot be called into question by the following arguments of the applicant.

157 First, the applicant submits that the present case can be distinguished from the cases which gave rise to the judgments of 13 September 2018, *Almaz-Antey* v *Council* (T-515/15, not published, EU:T:2018:545), of 27 July 2022, *RT France* v *Council* (T-125/22, EU:T:2022:483) and of 15 January 2025, *MegaFon* v *Council* (T-193/23, under appeal, EU:T:2025:7), relied on by the Council in the defence, in so far as the statement of reasons for the acts at issue in those cases was more detailed than that provided by the Council in the present case.

158 In that regard, it should be borne in mind that the obligation to state reasons must be assessed, in accordance with the case-law cited in paragraph 116 above, in the light of the particular circumstances of each case, so that it is not possible, in the present case, to draw any conclusions from the Court's findings as to the sufficiency or insufficiency of the various statements of reasons adopted by the Council in the specific context of other cases.

159 Secondly, concerning the applicant's argument that it was not subject to personal restrictive measures previously adopted on the basis 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) and 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), suffice it to note that the Council was not required, before adopting sectoral restrictive measures, to take personal restrictive measures against the applicant.

160 Thirdly, the applicant submits that the contested restrictive measures make no mention whatsoever of concerns relating to the risk of environmental pollution posed by those measures.

161 That argument cannot, however, succeed, since the case-law, as recalled in paragraph 116 above, does not require the reasoning to go into all the relevant facts and points of law. Moreover, as the Court made clear in paragraph 118 above, the obligation to state the reasons for an act is an essential procedural requirement which must be distinguished from the substantive legality of the contested restrictive measures, which encompasses the question whether such measures are consistent with the objectives of the CFSP and whether they are appropriate for preventing the environmental risks alleged by the applicant (see, to that effect, judgment of 26 March 2025, *A2B Connect and Others* v *Council*, T-307/22, EU:T:2025:331, paragraph 83 and the case-law cited).

162 Fourthly, the applicant submits that the Council has not explained how the references, in recitals 6 to 8 of Decision 2022/1909, to 'sham "referenda"' justified the adoption of the contested restrictive measures against it.

163 In the present case, it is sufficient to note that those references do not constitute the ground on which the contested restrictive measures were imposed on the applicant, but are part of the context in which Decision 2022/1909 was adopted by the Council. In particular, those references serve to describe the circumstances in which the Russian Federation intensified its aggression against Ukraine and which led to the adoption of further measures intended to bring an end to that war of aggression.

164 Accordingly, the statement of reasons for the contested restrictive measures must, in so far as it concerns the applicant, be regarded as sufficient, for the purpose of the case-law cited in paragraphs 115 and 116 above, to enable the applicant to understand the justification for those measures and to enable the Court to exercise its power of review.

165 It follows from all the foregoing that the third plea in law must be rejected.

2. ***The first plea in law, alleging infringement of Article 7(3) of Regulation No 391/2009***

166 The applicant claims that the withdrawal of recognition provided for in Article 1ab(3) of Decision 2014/512, as amended, was carried out in breach of Article 7(3) of Regulation No 391/2009. In support of that line of argument, it submits, first, that that regulation does not envisage the possibility of derogating from the recognition withdrawal procedure provided for in that article; secondly, that the Commission is competent to carry out that withdrawal; and, thirdly, that before such withdrawal can occur, the recognised organisation must be given the opportunity to submit observations, an opportunity which was not afforded to the applicant in the present case.

167 In the reply, the applicant adds that the Council is required, when exercising its competence under the provisions relating to the CFSP, to comply with international law in accordance with Article 21 TEU. However, recognition could not be withdrawn without infringing the provisions of the International Convention on Load Lines, concluded in London (United Kingdom) on 5 April 1966, the International Convention for the Prevention of Pollution from Ships (MARPOL), signed in London on 2 November 1973, and the International Convention for the Safety of Life at Sea (SOLAS), concluded in London on 1 November 1974.

168 The Council, supported by the Commission, disputes those arguments.

169 In essence, by the first plea, the applicant calls into question the Council's competence to withdraw the recognition granted to a classification society on the basis of Regulation No 391/2009.

170 As a preliminary point, it should be recalled that the objectives of the EU Treaty in matters of the CFSP are referred to, inter alia, in Article 3(5) and Article 21(2)(b) and (c) TEU, namely support for democracy, the rule of law and human rights, the preservation of peace, the prevention of conflicts and the strengthening of international security (judgment of 12 February 2020, *Kande Mupompa* v *Council*, T-170/18, EU:T:2020:60, paragraph 177 (not published)).

171 In accordance with Article 3(6) TEU, the European Union is to pursue those objectives by appropriate means commensurate with the competences which are conferred upon it in the Treaties.

172 Under the second subparagraph of Article 24(1) TEU, the CFSP 'is subject to specific rules and procedures' and 'shall be defined and implemented by the European Council and the Council acting unanimously, except where the Treaties provide otherwise'. Thus, restrictive measures are adopted in that field by a Council decision taken unanimously under Article 29 TEU and they are implemented, within the framework of the FEU Treaty, by means of a regulation adopted pursuant to Article 215 TFEU by the Council, acting by a qualified majority, on a joint proposal from the High Representative and the Commission (see, to that effect, judgment of 11 September 2024, *Fridman and Others* v *Council*, T-635/22, EU:T:2024:620, paragraphs 47 and 48).

173 In that connection, Article 29 TEU, forming part of Chapter 2 of Title V of the EU Treaty concerning 'Specific provisions on the [CFSP]', confers on the Council the power to 'adopt decisions which shall define the approach of the Union to a particular matter of a geographical or thematic nature'. In accordance with Article 23 TEU, the European Union's action on the international scene, pursuant to that chapter, is to be guided by the principles, pursue the objectives of, and be conducted in accordance with, the general provisions laid down in Chapter 1, including, according to Article 21(1) TEU, democracy, the rule of law, the universality and indivisibility of human rights, respect for human dignity and respect for the principles of the United Nations Charter and international law. In addition, Article 24(1) TEU states that 'the Union's competence in matters of [the CFSP] shall cover all areas of foreign policy and all questions relating to the Union's security' (see judgment of 26 March 2025, *A2B Connect and Others* v *Council*, T-307/22, EU:T:2025:331, paragraph 46 and the case-law cited).

174 According to the case-law, the combined effects of, on the one hand, Articles 21 and 23, Article 24(1), Article 25 and the first subparagraph of Article 28(1) TEU and, on the other, Article 29 TEU are that decisions which (i) come within the framework of the CFSP, as defined in Article 24(1) TEU, (ii) relate to 'a particular matter of a geographical or thematic nature', and (iii) are not in the nature of 'operational action' within the meaning of Article 28 TEU constitute 'approaches of the Union' within the meaning of Article 29 TEU, namely actions entailing any operations, whether civil or military, led by one or more Member States, outside the European Union (see judgments of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 50 and the case-law cited, and of 26 March 2025, *A2B Connect and Others* v *Council*, T-307/22, EU:T:2025:331, paragraph 47).

175 The concept of 'approach of the Union' within the meaning of Article 29 TEU lends itself to a broad interpretation, so that, provided that the conditions set out in paragraph 174 above are met, not only acts that are programmatic in nature or mere declarations of intent may be adopted on the basis of that article, but also, in particular, decisions providing for measures capable of directly affecting the legal position of individuals. That is moreover confirmed by the wording of the second paragraph of Article 275 TFEU (see judgments of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 51 and the case-law cited, and of 26 March 2025, *A2B Connect and Others* v *Council*, T-307/22, EU:T:2025:331, paragraph 48).

176 In view of the broad scope of the aims and objectives of the CFSP, as expressed in Article 3(5) and Article 21 TEU and in the specific provisions relating to that policy, in particular Articles 23 and 24 TEU, the Council has broad discretion to determine the persons and entities which will be subject to the restrictive measures that the European Union adopts in the field of the CFSP (judgments of 28 March 2017, *Rosneft*, C-72/15, EU:C:2017:236, paragraph 88, and of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 52).

177 Lastly, it should be recalled that review of the legal basis for an act makes it possible to verify the powers of the author of the act and to determine whether the procedure for the adoption of that act is vitiated by any irregularity. In particular, the choice of the legal basis for an EU act must rest on objective factors amenable to judicial review, which include the purpose and content of that act (see, to that effect, judgments of 5 March 2015, *Ezz and Others* v *Council*, C-220/14 P, EU:C:2015:147, paragraph 42 and the case-law cited, and of 18 December 2024, *Mironovich Shor* v *Council*, T-489/23, EU:T:2024:912, paragraph 51).

178 It is in the light of those principles that the Court must determine whether the Council was competent, under the provisions relating to the CFSP, to withdraw the recognition of the applicant issued on the basis of Regulation No 391/2009.

179 In the present case, it should be observed that Decision 2014/512, Decision 2022/1909 amending it and the contested decisions extending it were adopted on the basis of Article 29 TEU.

180 In the first place, it is apparent from Decision 2014/512, as amended by Decision 2022/1909 and extended by the contested decisions, that that decision seeks to exert pressure on the Russian authorities with a view

to bringing an end to their actions and policies destabilising Ukraine.

181 Thus, first of all, it follows from recitals 1 to 8 of Decision 2014/512 that the objective of that decision is to increase the costs of the Russian Federation's actions to undermine Ukraine's territorial integrity, sovereignty and independence, and to promote a peaceful settlement of the crisis (see paragraph 120 above).

182 Next, recitals 3 to 8 of Decision 2022/1909 describe the gravity of the situation in Ukraine and conclude that 'the Members of the European Council stated that they will strengthen the Union's restrictive measures countering Russia's illegal actions and further increase pressure on Russia to end its war of aggression'. Recital 9 of that decision states that 'in view of the gravity of the situation it is appropriate to introduce further restrictive measures', which include the withdrawal of recognition, in accordance with recital 10 thereof.

183 Finally, recitals 2 and 3 of the contested decisions draw attention to the continuing nature of the illegal actions committed by the Russian Federation and, consequently, the need to maintain the restrictive measures imposed by the European Union (see paragraph 154 above).

184 The decisions referred to in paragraphs 180 to 183 above therefore seek to preserve international peace and security and, in so doing, pursue objectives of the CFSP as provided for in Article 21(2)(b) and (c) TEU and cited in paragraph 170 above (see, to that effect, judgment of 15 May 2024, *Russian Direct Investment Fund* v *Council*, T-235/22, not published, EU:T:2024:311, paragraph 53 and the case-law cited).

185 In the second place, it should be noted that, having regard to its title, Decision 2014/512, as amended by Decision 2022/1909 and extended by the contested decisions, concerns 'a particular matter of a geographical or thematic nature', in so far as it was adopted in the light of 'the situation' in a third State, namely Ukraine, in response to the destabilising actions of the Russian Federation.

186 In the third place, Decision 2014/512, as amended by Decision 2022/1909 and extended by the contested decisions, is not in the nature of 'operational action' within the meaning of Article 28 TEU, since it does not entail any operation, whether civil or military, led by one or more Member States, outside the European Union.

187 It follows from the foregoing that Decision 2014/512, as amended by Decision 2022/1909, fulfils the three criteria set out in paragraph 174 above, with the result that it could be lawfully adopted on the basis of Article 29 TEU (see, to that effect and by analogy, judgment of 27 February 2014, *Ezz and Others* v *Council*, T-256/11, EU:T:2014:93, paragraph 47). The same is true of the contested decisions, which merely extended the application of Decision 2014/512 whilst pursuing the same objectives (see, to that effect and by analogy, judgment of 27 September 2018, *Ezz and Others* v *Council*, T-288/15, EU:T:2018:619, paragraph 123).

188 Therefore, by adopting the decisions referred to in paragraph 187 above, the Council exercised the competence conferred upon the European Union by the Treaties under the provisions relating to the CFSP.

189 The applicant nevertheless submits that the Council failed to respect the division of the internal competences of the European Union inasmuch as Article 1ab(3) of Decision 2014/512, as amended, derogates from the procedure laid down in Article 7(3) of Regulation No 391/2009 and, in so doing, interferes with the scope of that regulation.

190 Article 7(3) of Regulation No 391/2009 provides:

'Withdrawal of recognition shall be decided by the Commission, upon its own initiative or at the request of a Member State, in accordance with the regulatory procedure referred to in Article 12(3) and after the recognised organisation concerned has been given the opportunity to submit its observations.'

191 Under Article 12(3) of Regulation No 391/2009, ‘where reference is made to this paragraph, Articles 5 and 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof’. Since that decision was repealed and replaced by Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission’s exercise of implementing powers (OJ 2011 L 55, p. 13), the reference to it in Article 12(3) of Regulation No 391/2009 must now be understood, in accordance with Article 13(1)(c) of Regulation No 182/2011, as a reference, inter alia, to Article 5 of the latter regulation concerning the examination procedure.

192 It follows that the Commission has implementing powers to withdraw the recognition granted to an organisation under Regulation No 391/2009.

193 In that connection, it must be pointed out that the Treaties set up a system allocating powers among the EU institutions, assigning to each institution its own role in the institutional structure of the European Union and the accomplishment of the tasks entrusted to the European Union. Accordingly, under Article 13(2) TEU, each EU institution is to act within the limits of the powers conferred on it by the Treaties, and in conformity with the procedures, conditions and objectives set out therein. That provision reflects the principle of institutional balance, characteristic of the institutional structure of the European Union, a principle which requires that each of the institutions exercise its powers with due regard for the powers of the other institutions (see judgment of 28 July 2016, *Council* v *Commission*, C-660/13, EU:C:2016:616, paragraphs 31 and 32 and the case-law cited).

194 According to the Court, the principles of conferral and of institutional balance also apply in the area of the CFSP (see judgment of 10 September 2024, *KS and Others* v *Council and Others*, C-29/22 P and C-44/22 P, EU:C:2024:725, paragraph 72 and the case-law cited).

195 Concerning the division of the internal competences of the European Union relating to the CFSP, the Court has found that the adoption of a decision by the Council under Article 29 TEU cannot be called into question by the possibility for the European Union to intervene on the basis of other categories of competences governed by the FEU Treaty, in particular the competences attributed to the European Union for the regulation of the internal market, under Article 4(2) TFEU (see, to that effect, judgments of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 59, and of 26 March 2025, *A2B Connect and Others* v *Council*, T-307/22, EU:T:2025:331, paragraph 58).

196 In that regard, it should be recalled that, in accordance with the second paragraph of Article 40 TEU, the implementation of the policies listed in Articles 3 to 6 TFEU is not to affect the application of the procedures and the extent of the powers of the institutions laid down by the Treaties for the exercise of the European Union’s competences under the CFSP (judgments of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 60, and of 26 March 2025, *A2B Connect and Others* v *Council*, T-307/22, EU:T:2025:331, paragraph 59). Similarly, it is the task of the EU Courts to ensure, under the first paragraph of Article 40 TEU, that the implementation of the CFSP is not to affect the application of the procedures and the extent of the powers of the institutions laid down by the Treaties for the exercise of the European Union’s competences provided for in Articles 3 to 6 TFEU (see, to that effect, judgment of 28 March 2017, *Rosneft*, C-72/15, EU:C:2017:236, paragraph 85 and the case-law cited).

197 It follows that the competences of the European Union under the CFSP and under the other provisions of the FEU Treaty falling within Part Three thereof, concerning the Union’s policies and internal actions, are not mutually exclusive but complementary, each having its own scope and aiming to achieve different objectives (see judgments of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 61 and the case-law cited, and of 26 March 2025, *A2B Connect and Others* v *Council*, T-307/22, EU:T:2025:331, paragraph 60).

198 In the present case, Regulation No 391/2009 was adopted on the basis of the former Article 80(2) of the EC Treaty (now Article 100(2) TFEU), which falls within the common transport policy and appears in Title V, headed ‘Transport’, of Part Three of the EC Treaty dealing with ‘Community policies’.

199 That area of competence is one of those covered by Article 4(2)(g) TFEU to which the mutual non-encroachment clause, provided for in Article 40 TEU and referred to in paragraph 196 above, applies.

200 As is apparent from Article 1 of Regulation No 391/2009, that regulation lays down, inter alia, the measures that must be followed by organisations entrusted with the inspection, survey and certification of ships for compliance with the international conventions on safety at sea and prevention of marine pollution. In particular, the objective pursued by that regulation is, as is apparent from recitals 3, 5, 6 and 23 thereof, to establish minimum criteria for the recognition of those organisations, in order to ensure maritime safety and environmental protection.

201 Furthermore, recital 11 of Regulation No 391/2009 states that 'in accordance with the [EU]-wide approach, the decision to withdraw the recognition of an organisation which fails to fulfil the obligations set out in this Regulation if the above measures prove ineffective or the organisation otherwise presents an unacceptable threat to safety or the environment, has to be taken at [EU] level, and therefore by the Commission, on the basis of a committee procedure'.

202 In that regard, Article 7(1) of Regulation No 391/2009 sets out the grounds on which the recognition of an organisation may be withdrawn, including, in essence, failure to comply with the provisions of that regulation concerning maritime safety and pollution prevention or with the provisions relating to fines or periodic penalty payments which may be imposed on a recognised organisation.

203 It follows that the objective pursued by the withdrawal of recognition under Regulation No 391/2009 is to ensure compliance with the obligations laid down by that regulation in order to avert threats to maritime safety or the environment.

204 As pointed out in paragraphs 142 to 152 above, the objective pursued by the withdrawal of recognition as decided on by the Council under Article 1ab(3) of Decision 2014/512, as amended by Decision 2022/1909, is not linked to the objectives of Regulation No 391/2009. Such withdrawal is justified by the transaction ban and falls, more generally, within the objectives pursued by the CFSP referred to in paragraph 184 above, against the backdrop of the actions and policy of the Russian Federation to destabilise and undermine Ukraine's sovereignty and integrity.

205 Therefore, it must be held that the withdrawal of recognition under the provisions relating to the CFSP and, in the present case, Decision 2022/1909, the objective of which is to increase pressure on the Russian Federation, does not pursue, for the purpose of the case-law cited in paragraph 197 above, the same objectives as a withdrawal of recognition under Regulation No 391/2009, the objective of which is to ensure maritime safety and the protection of the environment.

206 It follows that the Council's competence to adopt Article 1ab(3) of Decision 2014/512, as amended, cannot be called into question, in accordance with the case-law cited in paragraph 195 above, by the possibility for the Commission to intervene on the basis of Article 7(3) of Regulation No 391/2009 in order to withdraw an organisation's recognition.

207 The Council was therefore competent, in the present case, to withdraw the applicant's recognition, without such withdrawal constituting an infringement of Article 7(3) of Regulation No 391/2009.

208 That finding is not affected by the applicant's argument, referred to in paragraph 167 above, that the withdrawal of its recognition by the Council infringes international law. Since no such argument was raised in the application in support of the first plea in law, it must be rejected as inadmissible under Article 84(1) of the Rules of Procedure.

209 In the light of all of the foregoing, the first plea in law must be rejected.

3. ***The second plea in law, alleging breach of the principle of proportionality***

210 The second plea consists of four parts, alleging (i) that the contested restrictive measures are manifestly inappropriate; (ii) that those measures go beyond what is necessary in order to achieve their objectives; (iii) disproportionate interference with the obligations of the European Union and the Member States in relation to environmental protection; and (iv) disproportionate interference with the applicant's freedom to conduct a business guaranteed by Article 16 of the Charter.

(a) ***Admissibility of the second plea in law***

211 The Council, supported by the Commission, raises a plea of inadmissibility alleging that the second plea lacks clarity, in breach of Article 76(d) and (e) of the Rules of Procedure. It claims that the arguments advanced by the applicant in support of that plea refer without distinction to all the contested restrictive measures and therefore do not permit the proportionality of those measures to be examined, since that examination requires each measure to be assessed separately in the light of its specific objectives.

212 The applicant disputes that line of argument.

213 Under the first paragraph of Article 21 of the Statute of the Court of Justice of the European Union, which is applicable to proceedings before the General Court by virtue of the first paragraph of Article 53 thereof, and under Article 76(d) of the Rules of Procedure, all applications must contain the subject matter of the proceedings, the pleas in law and arguments relied on and a summary of those pleas in law. It is settled case-law that that information must be sufficiently clear and precise to enable the defendant to prepare its defence and the Court to rule on the application, if necessary without any further information. In order to guarantee legal certainty and the sound administration of justice, it is necessary, if an action is to be admissible, that the basic legal and factual particulars relied on be indicated, at least in summary form, coherently and intelligibly in the text of the application itself. In particular, to that end, the applicant must present a line of argument in support of the plea raised which enables the defendant and the EU Courts to understand and respond to them (see judgment of 30 November 2022, *PKK* v *Council*, T-316/14 RENV and T-148/19, EU:T:2022:727, paragraph 104 and the case-law cited.

214 In addition, it follows from the case-law that the application must be interpreted with a view to giving it practical effect, by carrying out an overall assessment thereof (see judgment of 22 March 2023, *Satabank* v *ECB*, T-72/20, EU:T:2023:149, paragraph 30 and the case-law cited).

215 In the present case, the arguments relied on by the applicant in support of the second plea, which is divided into four parts, are sufficiently clear and precise from a reading of the application. The mere fact that the application refers, in that plea, to all the contested restrictive measures does not cast doubt on that finding. Moreover, both the Council and the Commission were able, in their pleadings, to respond to the applicant's arguments.

216 Consequently, the plea of inadmissibility raised by the Council must be rejected.

(b) ***The merits of the second plea in law***

(1) *Preliminary observations*

217 It should be observed that the principle of proportionality, which is one of the general principles of EU law and is referred to in Article 5(4) TEU, requires that measures implemented through provisions of EU law be appropriate for attaining the legitimate objectives pursued by the legislation at issue and not go beyond what is necessary to achieve them (see judgment of 13 March 2012, *Melli Bank* v *Council*, C-380/09 P, EU:C:2012:137, paragraph 52 and the case-law cited).

218 Consequently, when there is a choice between several appropriate measures, recourse must be had to the least onerous and the disadvantages caused must not be disproportionate to the aims pursued (see judgments of 13 September 2018, *DenizBank* v *Council*, T-798/14, EU:T:2018:546, paragraph 120 and the

case-law cited, and of 26 March 2025, *A2B Connect and Others* v *Council*, T-307/22, EU:T:2025:331, paragraph 124 and the case-law cited).

219 Furthermore, with regard to judicial review of compliance with the principle of proportionality, the EU legislature must be allowed a broad discretion in areas which involve political, economic and social choices on its part, and in which it is called upon to undertake complex assessments. Therefore, the legality of a measure adopted in those areas can be affected only if the measure is manifestly inappropriate having regard to the objective which the competent institution is seeking to pursue (see judgments of 28 March 2017, *Rosneft*, C-72/15, EU:C:2017:236, paragraph 146 and the case-law cited, and of 15 May 2024, *Russian Direct Investment Fund* v *Council*, T-235/22, not published, EU:T:2024:311, paragraph 93).

220 In addition, the legality of restrictive measures is not dependent on their being found to have immediate effects; all that is required is that they are not manifestly inappropriate having regard to the objective which the competent institution is seeking to pursue (judgment of 17 September 2020, *Rosneft and Others* v *Council*, C-732/18 P, not published, EU:C:2020:727, paragraph 97). The Council is therefore not required to prove that the restrictive measures produce the anticipated effects, but only that they are capable of having such effects (see, to that effect, judgment of 25 June 2020, *VTB Bank* v *Council*, C-729/18 P, not published, EU:C:2020:499, paragraph 66).

221 Lastly, it must also be borne in mind that restrictive measures, by definition, entail adverse effects, in particular for the entities subject to them (see judgment of 13 March 2025, *PKK* v *Council*, C-72/23 P, EU:C:2025:182, paragraph 130 and the case-law cited).

(2) *The first part of the second plea in law, alleging that the contested restrictive measures are manifestly inappropriate*

222 The applicant submits that the contested restrictive measures do not serve to achieve the objective of exerting pressure on the Russian authorities with a view to putting an end to their actions and policies destabilising Ukraine. In particular, the Russian State does not receive any profits associated with the applicant's activities; the applicant merely discharges its tax obligations towards that State.

223 The Council, supported by the Commission, disputes those arguments.

224 As a preliminary point, concerning the arguments put forward by the applicant in its pleadings alleging that it was excluded from the IACS and that that exclusion was linked to the political pressure exerted by the European Union and the adoption of the investment ban, it must be stated that such exclusion constitutes a decision taken by an entity independent of the Council, with autonomous powers conferred by its founding charter, the legality of which could have been challenged by the applicant in accordance with the provisions of that charter (see, to that effect, judgment of 13 March 2012, *Melli Bank* v *Council*, C-380/09 P, EU:C:2012:137, paragraph 54 and the case-law cited). The legality of such a decision – the annulment of which is not, moreover, sought by the applicant in its pleadings – cannot therefore be called into question before the Court.

225 Having made that clarification, it should be observed that recitals 1 to 8 of Decision 2014/512 describe the geopolitical tension against the backdrop of which the Council considered it necessary to adopt sectoral restrictive measures against the Russian Federation (see paragraph 120 above). According to recital 2 of Regulation No 833/2014, the stated objective of those measures was to increase the costs of the actions of the Russian Federation to undermine Ukraine's territorial integrity, sovereignty and independence, and to promote a peaceful settlement of the crisis (judgment of 28 March 2017, *Rosneft*, C-72/15, EU:C:2017:236, paragraph 123).

226 Furthermore, it follows from recital 6 of Decision 2022/395 that, in view of the gravity of the situation, and in response to Russia's military aggression against Ukraine, the Council considered it necessary to introduce further measures. Similarly, recitals 3 to 8 of Decision 2022/1909 describe the gravity of the situation in Ukraine and conclude, 'the Members of the European Council stated that they will strengthen

the Union's restrictive measures countering Russia's illegal actions and further increase pressure on Russia to end its war of aggression'. It is also to that effect that recital 3 of Regulation 2022/1904, which implements the amendments made by Decision 2022/1909, states that those new measures were adopted 'in response to the Russian Federation's further aggression against Ukraine'.

227 It was therefore against the backdrop of the worsening situation in Ukraine that the Council sought to increase pressure on the Russian Federation by adopting additional restrictive measures, the objective of which was to exert further pressure on the Russian authorities to bring an end to their actions and policies destabilising Ukraine (see, to that effect, judgment of 15 May 2024, *Russian Direct Investment Fund* v *Council*, T-235/22, not published, EU:T:2024:311, paragraph 53) and which include the contested restrictive measures.

228 However, such measures cannot be regarded as manifestly inappropriate for the purpose of intensifying the pressure exerted on the Russian Federation in the light of, first, the importance of the objectives pursued by the Council, which fall within the broader objective of maintaining peace and international security referred to in Article 21 TEU (see paragraphs 180 to 184 above), and, secondly, the gradual escalation in the severity the restrictive measures adopted by the Council in response to the Russian Federation's actions destabilising Ukraine (see, to that effect, judgments of 25 June 2020, *VTB Bank* v *Council*, C-729/18 P, not published, EU:C:2020:499, paragraph 82 and the case-law cited, and of 5 February 2026, *VEB.RF* v *Council*, C-572/24 P, not published, EU:C:2026:74, paragraph 160 and the case-law cited).

229 In particular, the Council was entitled, in the light of its broad discretion, to take the view that the approach consisting of targeting an entity wholly owned by the Russian State engaged in activities in the maritime sector relating, inter alia, to the classification and inspection of ships was capable of contributing to exerting pressure on Russia, bearing in mind that, in accordance with the case-law cited in paragraph 220 above, the Council is not required to prove that the restrictive measures have such an effect, but only that they are capable of having such an effect.

230 In the present case, it is apparent from the applicant's charter that it carries out its activities under the supervision of the Russian Ministry of Transport (clause 1 of that charter), which exercises the functions and powers of founder and owner (the Russian State) on behalf of the Russian State (clause 4 of that charter). In that respect, the applicant is required, inter alia, to carry out State tasks approved by the Russian Ministry of Transport (clauses 14(1) and 35(8) of that charter). The Ministry appoints the applicant's general director, who is responsible for managing, under the control of that Ministry, the applicant's activities (clauses 35(7), 55 and 56 of that charter) and who determines the detailed rules and procedures for the use and disposal of the income and net profit generated by the applicant in the course of its activity (clause 57(21) of that charter).

231 Furthermore, as the applicant confirmed at the hearing, it has classed 4 207 ships, 3 772 of which are Russian flagged, so that the withdrawal of its recognition, coupled with the ban on access to EU ports and locks, is liable to affect the Russian maritime sector. Similarly, the transaction ban and the withdrawal of recognition make it impossible for the applicant to continue to operate in the European Union and are thus liable to reduce the number of ships which will have recourse to its certification services, thereby reducing the influence of the Russian State in the maritime sector.

232 It follows that the contested restrictive measures are not manifestly inappropriate for achieving the objective of exerting further pressure on the Russian authorities.

233 That finding cannot be called into question by the following arguments put forward by the applicant.

234 In the first place, although the applicant does not deny being wholly owned by the Russian State, it nevertheless explains that it was established as a non-profit entity, the objects of which are to ensure the safety of maritime navigation and the protection of the environment.

235 Suffice it to recall, however, that the applicant was made subject to the contested restrictive measures because it was wholly owned by the Russian State, so that the argument based on its legal structure and its objects is ineffective.

236 In the second place, the applicant submits that it has its own, independent assets deriving from the proceeds of its profit-making activities and that the profits which it generates are used only in furtherance of the objects stated in its founding charter; the Russian State is not entitled to receive such profits. It does not therefore pay any dividends to the Russian State and merely discharges its tax obligations towards that State.

237 It is true, as the applicant points out, that it is apparent from clause 30 in part V of its charter that the Russian State is not entitled to receive profits from its activities.

238 However, it must be borne in mind that the objective of increasing pressure on the Russian Federation to end its actions and policies destabilising Ukraine may be pursued by having recourse to a range of restrictive measures, addressed to persons and entities fulfilling different conditions (see, to that effect, judgment of 13 September 2018, *Vnesheconombank* v *Council*, T-737/14, not published, EU:T:2018:543, paragraph 163).

239 It follows from the wording of the contested restrictive measures, as recalled in paragraphs 9, 15 and 21 above, that the payment of profits to the Russian State by the applicant is not a condition which must necessarily be satisfied in order to justify the adoption of those measures against the applicant. Such a condition is not provided for in Article 1ab of Decision 2014/512, as amended, and is not cumulative with the other conditions laid down in Article 1(4)(a) and Article 1aa(1)(a) of that decision.

240 Accordingly, the fact that the applicant does not pay profits to the Russian State is not such as to cast doubt on the appropriateness of the contested restrictive measures.

241 Moreover, as regards the applicant's argument that the mere payment of taxes to the Russian State cannot, in the light of the judgment of 6 October 2015, *Chyzh and Others* v *Council* (T-276/12, not published, EU:T:2015:748), justify the adoption of the contested restrictive measures, suffice it to point out that such an argument is ineffective since what was at issue in that judgment was a specific listing criterion based on the benefit deriving from and the support provided to the Lukashenko regime (Article 4(1)(b) of Council Decision 2012/642/CFSP of 15 October 2012 concerning restrictive measures against Belarus (OJ 2012 L 285, p. 1)). In the present case, the applicant was not made subject to the contested restrictive measures for providing support to the Russian State.

242 In the third place, the applicant submits that it does not provide significant financial resources to the Russian State which could contribute to funding the war against Ukraine.

243 In that connection, it should be borne in mind that the objective of the restrictive measures adopted by the Council is not to penalise certain entities because of their links with the situation in Ukraine, but to impose economic sanctions on the Russian Federation, in order to exert pressure on the Russian authorities to bring an end to their actions undermining the territorial integrity, sovereignty and independence of Ukraine, and to promote a peaceful settlement of the crisis (see, to that effect, judgment of 13 September 2018, *Almaz-Antey* v *Council*, T-515/15, not published, EU:T:2018:545, paragraph 126). Furthermore, the Council is not required to adopt measures designed only to increase the costs directly connected with the specific actions carried out by the Russian Federation in Ukraine (see, to that effect, judgment of 25 June 2020, *VTB Bank* v *Council*, C-729/18 P, not published, EU:C:2020:499, paragraph 64).

244 Thus, the fact that the applicant did not contribute to providing financial support for the actions of the Russian Federation destabilising the situation in Ukraine is irrelevant, since it was not made subject to restrictive measures for that reason, but because of the fact that it was wholly owned by the Russian State (see, to that effect, judgment of 13 September 2018, *Sberbank of Russia* v *Council*, T-732/14, EU:T:2018:541, paragraph 149), which, moreover, the applicant does not dispute.

245 Therefore, in view in particular of the inadequacy of the measures previously introduced by the Council (see paragraphs 225 to 227 above), it was not manifestly inappropriate for that institution to adopt the contested restrictive measures in order to exert further pressure on the Russian Federation, irrespective of any involvement on the part of the applicant in the actions undertaken by that State to destabilise the situation in Ukraine (see, to that effect, judgment of 13 September 2018, *Vnesheconombank* v *Council*, T-737/14, not published, EU:T:2018:543, paragraph 97).

246 In the light of all the foregoing, the first part of the second plea in law must be rejected.

(3) *The second part of the second plea in law, alleging that the contested restrictive measures go beyond what is necessary to achieve their objectives*

247 The applicant submits, in the first place, that the ban on access to ports and locks in the territory of the European Union is disproportionate, since it covers not only ships flying the Russian flag but all ships certified by it. In the second place, the applicant claims that the contested restrictive measures do not distinguish between the different services provided by it, such as those provided in emergencies. The Council could have adopted less onerous measures by introducing, in particular, derogations for essential non-commercial services which are necessary to ensure maritime safety, the protection of the environment and safety on board ships.

248 The Council, supported by the Commission, disputes those arguments and contends that the implementation of less onerous measures would not have been as effective in achieving the objective of exerting pressure on the Russian Federation.

249 As a preliminary point, it should be recalled that the applicant's arguments challenging the proportionality of the ban on access to ports and locks in the territory of the European Union applying to ships certified by it (see paragraph 247 above) is inadmissible in the light of the considerations set out in paragraphs 79 to 108 above.

250 In essence, by the second part of the second plea, the applicant argues that it was open to the Council to adopt restrictive measures of a less onerous nature, such as those mentioned below.

251 In the first place, the applicant submits that the Council could have exempted its EU-based subsidiaries from the effects of the contested restrictive measures and, in particular, the transaction ban.

252 In that regard, it should be borne in mind that the transaction ban, the principle of which is laid down in Article 1aa(1) of Decision 2014/512, as amended, does not apply solely to legal persons, entities and bodies established in Russia, which are publicly controlled or over 50% of which is publicly owned, appearing in the list in Annex X to Decision 2014/512, as amended, on which the applicant was included (Article 1aa(1)(a) of that decision). It also applies (i) to legal persons, entities or bodies established outside the European Union, over 50% of whose proprietary rights are owned, directly or indirectly, by an entity on that list (Article 1aa(1)(b) of that decision), and (ii) to legal persons, entities or bodies acting on behalf or at the direction of an entity referred to in Article 1aa(1)(a) or (b) of Decision 2014/512, as amended (Article 1aa(1)(c) of that decision). That, moreover, is not disputed by the applicant in its pleadings.

253 It follows that the objective pursued by Article 1aa(1)(b) and (c) of Decision 2014/512, as amended, is to prevent the prohibition laid down in Article 1aa(1)(a) thereof from being circumvented and thus to ensure the practical effect of that provision (see, to that effect and by analogy, judgment of 12 February 2026, *Opera Laboratori Fiorentini*, C-313/24, EU:C:2026:91, paragraphs 33 and 36).

254 If entities such as the applicant's subsidiaries were not covered by the scope of the transaction ban, the applicant could engage in such circumvention through them (see, to that effect, judgment of 13 September 2018, *DenizBank* v *Council*, T-798/14, EU:T:2018:546, paragraph 127 and the case-law cited), even though one of the main concerns expressed by the Council in Decision 2022/1909 was, as is apparent from recital 5 thereof, the need to strengthen the implementation of the sanctions adopted against Russian

entities and to prevent their circumvention. The same observation can also be made as regards the investment ban and the withdrawal of recognition.

255 It follows that the implementation of the measure proposed by the applicant in paragraph 251 above would not have been as effective in achieving the objective pursued by the transaction ban.

256 In the second place, the applicant states that it would have been possible to introduce exemptions from the transaction ban allowing it to provide services associated with the issuance of recognition certificates to EU producers of navigation-related materials, equipment and components, or to EU operators engaged in ship servicing activities. According to the applicant, the transaction ban prevents the producers of those materials, equipment and components from obtaining or renewing their certification from the applicant and also prevents EU-based shipyards and repair docks from obtaining or renewing their certification from the applicant for the servicing of ships certified by it.

257 In so doing, the applicant essentially refers to the effects of the contested restrictive measures on ships certified by it, arguing that those measures prevent any assistance being provided to those ships in the event of an emergency or breakdown, since the derogations provided for in Article 4ha(4) of Decision 2014/512, as amended, are ineffective.

258 Even if the applicant could rely on such a line of argument, it must be noted that the applicant has not established that a system based on differential treatment of the services it offers would be feasible (see, to that effect, judgment of 9 July 2009, *Melli Bank* v *Council*, T-246/08 and T-332/08, EU:T:2009:266, paragraphs 109).

259 Furthermore, as regards the applicant's argument that ships certified by it cannot be serviced, in the event of a breakdown or emergency, without its intervention, it should be borne in mind that, under Article 4ha(4) of Decision 2014/512, as amended, the ban on access to ports and locks in the territory of the European Union does not apply in the case of a ship in need of assistance seeking a place of refuge, of an emergency port call for reasons of maritime safety, or for saving life at sea.

260 It has not been established that the ships referred to in paragraph 259 above would not be able to obtain the assistance necessary for that purpose from other EU operators (see, to that effect and by analogy, judgment of 17 April 2024, *Cogebi and Cogebi* v *Council*, T-782/22, not published, EU:T:2024:249, paragraph 148). At the hearing, the applicant also referred to around 15 incidents in EU territorial waters involving ships certified by it, but it was not capable of refuting the Commission's observation that, in those situations, those ships had in fact been able to receive assistance.

261 That finding cannot be called into question by the following arguments.

262 First, the applicant claims that any material servicing of a ship must be overseen by a representative of the classification society concerned or that the shipyard must be approved by that classification society in advance. To that end, the applicant relies on the Survey Guidelines under the Harmonised System of Survey and Certification, adopted by the International Maritime Organisation (IMO) on 6 December 2023 (Resolution A.1186 (33)) ('the IMO Survey Guidelines').

263 In that regard, it should be borne in mind that, although specific points in the body of the application can be supported and completed by references to extracts from the documents attached thereto, a general reference to other documents, even those annexed to the application, cannot compensate for the lack of the essential information that must appear in the application. In particular, it is not for the Court to seek and identify in the annexes the pleas and arguments on which it may consider the action to be based, since the annexes have a purely evidential and instrumental function (see judgment of 31 May 2018, *Kaddour* v *Council*, T-461/16, EU:T:2018:316, paragraph 113 and the case-law cited). Similar requirements apply where a submission is made in support of a plea in law raised before the Court (see judgment of 23 February 2022, *United Parcel Service* v *Commission*, T-834/17, EU:T:2022:84, paragraph 34 and the case-law cited).

264 In the present case, the applicant merely refers, in support of its proposition, to paragraph 4.7.2 of the IMO Survey Guidelines and subsequently makes a general reference to those guidelines, which were produced in Annex A.14 to the application, without further substantiating that proposition or identifying the relevant extracts from that annex.

265 In accordance with the case-law cited in paragraph 263 above, it is not for the Court to seek and identify, in the annex at issue, the arguments in support of the applicant's proposition where the applicant has not precisely indicated the relevant passages of that annex capable of substantiating its proposition. That is particularly true of the unsubstantiated references to the various legal instruments cited by the applicant in footnote 13 of the application, which are not even annexed to the application.

266 Furthermore, as regards the reference, made by way of illustration, to paragraph 4.7.2 of the IMO Survey Guidelines, suffice it to note that, contrary to what the applicant claims, that provision does not lay down the principle of mandatory surveys which a representative of the classification society concerned must participate in, but only that 'the master or owner should make a report at the earliest opportunity to the Administration, the nominated surveyor or recognised organisation responsible for issuing the relevant certificate [which] should then initiate an investigation to determine whether a survey, as required by the regulations applicable to the particular certificate, is necessary'. Moreover, it should be observed that paragraph 5.14 of those guidelines provides, under certain conditions, for the possibility of surveys being carried out remotely, in particular where extraordinary circumstances beyond the control of the parties, such as war, prevent an on-site survey.

267 Secondly, the applicant submits that only materials, equipment and components certified by it can be installed during the servicing of a ship covered by its services, during which one of its representatives must be present. To that end, the applicant refers, in general terms, to its 'rules for technical supervision during construction of ships and manufacture of materials and products for ships', produced in Annex A.19 to the application.

268 However, aside from the fact that the rules referred to in paragraph 267 above are set out in an internal document of the applicant, section 14 of those rules makes it clear that the applicant can authorise another classification society to carry out technical supervision activities on its behalf. In particular, section 2.15 of those rules states that the applicant may, inter alia, authorise another classification society to perform technical supervision, in part or in full, of the construction of a ship classed with the applicant and of the manufacture of materials and products intended for those ships. Furthermore, section 2.7 of those rules provides for the possibility of derogating from the applicant's requirements where the application of those requirements, methods and scope of supervision is impracticable or unreasonable.

269 As the Council submits, it is therefore not inconceivable that, if a ship certified by the applicant were to require servicing within the European Union, another classification society could step in to support that ship, irrespective of the possibility of a class transfer in accordance with the procedure laid down by the IACS to which the applicant refers in its second statement of modification. The applicant has not, however, explained to what extent such a procedure would be relevant in the present case, given that it is no longer a member of that organisation (see paragraph 3 above).

270 The arguments advanced by the applicant in support of the second measure referred to in paragraph 256 above cannot therefore succeed.

271 In the third place, the applicant claims that the Council could have simply suspended the recognition it enjoyed under Regulation No 391/2009 instead of withdrawing it.

272 In that regard, it should be recalled at the outset that the contested restrictive measures are intended to increase pressure on the Russian Federation to end its war of aggression against Ukraine.

273 Contrary to what the Council claims, the implementation of a suspension measure does not appear to be unsuitable for the pursuit of such an objective. In particular, the suspension of recognition, like the

withdrawal of recognition, is capable of preventing the applicant from carrying out inspection, survey and certification tasks for ships flying the flag of a Member State, tasks the performance of which is reserved for organisations recognised under Regulation No 391/2009 (see paragraphs 149 and 200 above).

274 Next, it should be pointed out that restrictive measures are of a precautionary and, by definition, provisional nature, the validity of which always depends on whether the factual and legal circumstances which led to their adoption continue to apply and on the need to persist with them in order to achieve their aims (see judgment of 12 February 2020, *Amisi Kumba* v *Council*, T-163/18, EU:T:2020:57, paragraph 58 and the case-law cited).

275 In the present case, it follows from Article 9(2) of Decision 2014/512 that the Council is required to review the restrictive measures adopted under that decision, which is to be kept under constant review by that institution.

276 As the applicant submits, in the event of a review resulting in the contested restrictive measures being lifted, the recognition provided for by Regulation No 391/2009 cannot be automatically reinstated.

277 Under Article 3(1) of Regulation No 391/2009, a request for recognition is to be submitted to the Commission by a Member State together with complete information on, inter alia, the organisation's compliance with the minimum criteria set out in Annex I to that regulation. It is then for the Commission, pursuant to Article 3(2) of that regulation, to assess the organisation concerned jointly with the applicant Member State and, where appropriate, to grant recognition in accordance with the regulatory procedure referred to in Article 12(3) thereof.

278 It follows that the applicant has neither a right of initiative in the procedure for the grant of recognition nor a right to be awarded such recognition. Consequently, if the contested restrictive measures are lifted, it will have to go through a new recognition procedure under Regulation No 391/2009, the outcome of which is uncertain.

279 By contrast, a measure suspending recognition would not require the applicant to undergo, from scratch and on the sole initiative of a Member State, the procedure for the grant of fresh recognition. In particular, whilst it cannot be ruled out that the lifting of such a measure might require assessments to be carried out to ensure that, at the end of the suspension, the applicant complies with the criteria laid down in Regulation No 391/2009, the competent authorities would have a record of the assessments and the documentation previously submitted by the applicant, which could be taken into account for that purpose.

280 It is true that, as the Council and the Commission pointed out at the hearing, Regulation No 391/2009 provides only for the possibility of withdrawing the recognition granted to an organisation on the basis of the provisions of that regulation; it does not provide for any measure of suspension. Thus, according to those parties, the lifting of such a suspension – the detailed rules for which are not laid down in Regulation No 391/2009 – could entail risks in terms of maritime safety, in particular if the applicant no longer offers the necessary guarantees to satisfy the requirements of that regulation.

281 However, suffice it to note that, by withdrawing the applicant's recognition, the Council exercised its competence under the provisions relating to the CFSP, with the result that such withdrawal does not fall within the scope of Regulation No 391/2009 and does not pursue the objectives of that regulation, namely to ensure maritime safety and the protection of the environment (see paragraphs 178 to 207 above).

282 Thus, in accordance with the principles governing the division of interinstitutional competences of the European Union, recalled in paragraphs 195 to 197 above, it is for the Commission, in the exercise of its competence under Regulation No 391/2009, to ensure that the applicant complies with the criteria laid down by that regulation in the field of maritime safety in the event that the contested restrictive measures are lifted. Article 5 of that regulation provides, moreover, that where the Commission considers, inter alia, that the safety and pollution prevention performance of a recognised organisation has worsened significantly, that institution is to require that organisation to undertake the necessary preventive and

remedial action within specified deadlines to ensure compliance with the minimum criteria and obligations provided for in Regulation No 391/2009 and to remove any potential threat to safety or the environment.

283 In those circumstances, the risks to maritime safety associated with a suspension measure – which, moreover, have not been established by the Council and the Commission – cannot be relied on to prevent the Council from adopting, in the exercise of its competence, a suspension measure falling within the objectives of the CFSP.

284 It follows that, in the present case, the Council had the option of adopting a less onerous measure, within the meaning of the case-law cited in paragraph 218 above, than the withdrawal of the recognition granted on the basis of Regulation No 391/2009, without there being any need to examine the other measures advanced by the applicant in connection with that withdrawal or to rule on the recognition provided for in Directive 2016/1629 in respect of which the applicant has not put forward any arguments.

285 In the light of all the foregoing, the second part of the second plea in law must be upheld in part in so far as it concerns the withdrawal of the recognition enjoyed by the applicant under Regulation No 391/2009 and must be rejected as to the remainder as regards the investment ban and the transaction ban. Consequently, the analysis of the third and fourth parts of the second plea in law and the fourth and fifth pleas in law will focus solely on those last two measures ('the measures at issue').

(4) *The third part of the second plea in law, alleging disproportionate interference with environmental protection obligations*

286 The applicant claims, in essence, that the Council, in adopting the measures at issue, failed to assess the impact of those measures on the environment and maritime safety resulting from the prohibition preventing the applicant from providing the services necessary to ensure maritime safety. In doing so, the European Union and the Member States are in breach of EU rules and international obligations on environmental protection deriving, inter alia, from Article 194(2) of the United Nations Convention on the Law of the Sea, signed at Montego Bay on 10 December 1982 ('the Montego Bay Convention'), Article 37 of the Charter, the principle of EU law that multilateral conventions to which Member States and third States are parties take precedence over secondary EU law, and the principle of prevention on which the EU's environmental policy is based.

287 The Council, supported by the Commission, disputes those arguments.

288 In the first place, it should be noted that the applicant simply states, in general and abstract terms, that the measures at issue do not make it possible to remedy 'potential' and 'possible' damage to the environment. It does not, however, substantiate that claim in any way. Similarly, in its pleadings and at the hearing, the applicant merely referred to maritime incidents since 2022 involving ships certified by it, but it did not adduce any specific evidence to demonstrate that such incidents had actually occurred. Nor has it produced any evidence of a link between the measures at issue and the risks of maritime pollution mentioned in its pleadings.

289 In the second place, concerning the applicant's argument that the measures at issue do not comply with the obligations of the European Union and the Member States on environmental protection, that argument cannot succeed for the following reasons.

290 First, as regards the alleged infringement of Article 194(2) of the Montego Bay Convention, suffice it to recall that the nature and broad logic of that convention prevent the EU Courts from being able to assess the validity of an EU act in the light of it (see, to that effect, judgment of 3 June 2008, *Intertanko and Others*, C-308/06, EU:C:2008:312, paragraph 65).

291 Secondly, as regards the applicant's reliance on the 'principle of EU law that multilateral conventions to which Member States and third States are parties take precedence over [EU] Regulations', it should be observed that that principle does not correspond to any established principle of EU law. Furthermore, the

applicant simply cites, by way of illustration, references which are irrelevant to the present case, inasmuch as they concern the rules applicable in the field of private international law laid down in Article 71 of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJ 2012 L 351, p. 1), Article 25(1) of Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I) (OJ 2008 L 177, p. 6) and Article 28(1) of Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007 on the law applicable to non-contractual obligations (Rome II) (OJ 2007 L 199, p. 40).

292 Thirdly, the applicant refers to the 'principle of prevention on which EU environmental policy is based'. Suffice it to note that the measures at issue were not adopted under EU environmental policy. Moreover, such an abstract reference, which has no specific basis in law, does not make it possible to identify the provisions referred to or the scope and meaning of the provisions or principles which were allegedly infringed.

293 In addition, even if the applicant intended to refer to the precautionary principle, it should be recalled that that principle is a general principle of EU law requiring the authorities in question, in the exercise of the powers conferred on them by the relevant rules, to take appropriate measures to prevent specific potential risks to public health, safety and the environment, by giving precedence to the requirements related to the protection of those interests over economic interests (see judgment of 17 March 2021, *FMC* v *Commission*, T-719/17, EU:T:2021:143, paragraph 62 and the case-law cited). As pointed out in paragraph 288 above, the applicant has not established that there may be risks to maritime safety or the environment as a result of the measures at issue, so that the Council cannot be criticised for not having taken the precautionary principle into account when adopting those measures (see, to that effect, judgment of 5 May 2015, *Petropars Iran and Others* v *Council*, T-433/13, EU:T:2015:255, paragraphs 102 and 103).

294 Fourthly, concerning the applicant's reliance on Article 37 of the Charter, aside from the fact that it is not grounded on any specific arguments, it is for the applicant to adduce evidence specifically to demonstrate that the provisions it challenges entail significant adverse effects on the environment capable of leading to an infringement of that article (see, to that effect, judgment of 4 October 2024, *Lithuania and Others* v *Parliament and Council (Mobility Package)*, C-541/20 to C-555/20, EU:C:2024:818, paragraph 1082). That is not the case here, as stated in paragraph 288 above.

295 In the third place, the applicant claims, in the reply, that the measures at issue give rise to a breach – affecting ships certified by it – of the freedom of navigation and of the right of innocent passage guaranteed by Article 17 of the Montego Bay Convention. Besides the fact that that argument was put forward only at the stage of the reply, it cannot succeed for the reason set out in paragraph 290 above.

296 It follows from all the foregoing that the third part of the second plea in law must be rejected.

(5) *The fourth part of the second plea in law, alleging disproportionate interference with the applicant's freedom to conduct a business*

297 The applicant submits, in essence, that the measures at issue disproportionately interfere with its freedom to conduct a business protected by Article 16 of the Charter, in so far as no distinction is drawn between the various services provided by it, which are essential to ensure maritime safety and the protection of the environment.

298 The Council, supported by the Commission, disputes those arguments.

299 Under Article 16 of the Charter, 'the freedom to conduct a business in accordance with Union law and national laws and practices is recognised'.

300 The freedom to conduct a business is not, however, an unfettered prerogative and may therefore be limited, under the conditions laid down in Article 52(1) of the Charter (see judgment of 15 May 2024,

Russian Direct Investment Fund v *Council*, T-235/22, not published, EU:T:2024:311, paragraph 86 and the case-law cited), from which it follows that any limitation on the exercise of the rights and freedoms recognised by the Charter must be provided for by law, respect the essence of those rights and freedoms, and, subject to the principle of proportionality, be necessary and genuinely meet objectives of general interest recognised by the European Union or the need to protect the rights and freedoms of others (see judgment of 5 February 2026, *VEB.RF* v *Council*, C-572/24 P, not published, EU:C:2026:74, paragraph 135 and the case-law cited).

301 In the first place, it should be noted that the measures at issue are provided for by law, since they were introduced by acts which, in particular, are of general application and have a clear legal basis in EU law, namely Article 29 TEU (see paragraph 179 above). That, moreover, is not disputed by the applicant.

302 In the second place, as pointed out in paragraphs 180 to 184 and 225 to 228 above, the measures at issue meet an objective of general interest, recognised as such by the European Union, capable of justifying consequences that be may be negative for certain operators, even significantly so (see, to that effect, judgment of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraphs 202 and 226 and the case-law cited). Restrictive measures, by definition, have consequences which affect, in particular, the freedom to pursue a trade or business, thereby causing harm to persons who are in no way responsible for the situation which led to the adoption of those measures. That is a fortiori the case with respect to the consequences of targeted restrictive measures for the entities subject to those measures (see judgment of 15 May 2024, *Russian Direct Investment Fund* v *Council*, T-235/22, not published, EU:T:2024:311, paragraph 95 and the case-law cited).

303 In the third place, as regards the appropriateness and necessity of the measures at issue, reference should be made to the Court's analysis set out in paragraphs 225 to 246 and 250 to 270 above.

304 In the fourth place, it must be pointed out that the measures at issue are temporary and reversible, so that, in the present case, they are not liable to interfere with the essence of the freedom to conduct a business. Indeed, it follows from Article 9 of Decision 2014/512, as amended by the contested decisions, that the measures at issue were extended for successive periods of six months (see paragraphs 31, 36, 39 and 43 above) and that they are kept under constant review by the Council. In addition, that decision is to be renewed, or amended as appropriate, if the Council deems that its objectives have not been met. Contrary to what the applicant claims, the mere fact that the measures at issue have been extended several times since their adoption does not call into question their temporary and reversible nature (see, to that effect, judgments of 13 March 2025, *Shuvalov* v *Council*, C-271/24 P, EU:C:2025:180, paragraph 80, and of 30 November 2016, *Rotenberg* v *Council*, T-720/14, EU:T:2016:689, paragraph 185 and the case-law cited), in the light of the obligation requiring the Council to conduct a periodic review.

305 It should also be made clear that the applicant remains free to carry on its business with non-EU States and with operators based outside the territory of the European Union, since the effects of the measures at issue are limited to that territory (see, to that effect, judgment of 17 April 2024, *Cogebi and Cogebi* v *Council*, T-782/22, not published, EU:T:2024:249, paragraph 141). The applicant also indicates, in its pleadings, that it held authorisations from 51 flag States as at 29 August 2024 and confirmed, at the hearing, that more than 60 States continued to use its services as a classification society.

306 It follows that the measures at issue do not disproportionately interfere with the applicant's freedom to conduct a business, with the result that the fourth part of the second plea in law must be rejected.

307 In the light of all the foregoing, the second part of the second plea in law must be upheld in part, in so far as it concerns the withdrawal of recognition, and that plea must be rejected as to the remainder.

4. ***The fourth plea in law, alleging breach of the rights of the defence and the right to effective judicial protection***

308 The applicant submits that the Council breached its rights of the defence and its right to effective judicial protection, guaranteed by Articles 41 and 47 of the Charter, respectively. It maintains that the measures at issue were not notified to it, either prior to their adoption or within a reasonable time thereafter. The applicant also argues that the Council did not afford it the opportunity to submit observations before the adoption of the measures at issue and did not inform it of the grounds on which those measures were based, thus breaching its right to be heard and its right to effective judicial protection.

309 The Council, supported by the Commission, disputes those arguments.

310 As a preliminary point, it should be recalled that respect for the rights of the defence and the right to effective judicial protection are fundamental rights, forming an integral part of the EU legal order, in the light of which the EU Courts must ensure the review – which in principle should be a full review – of the lawfulness of all EU acts (see judgment of 15 May 2024, *Russian Direct Investment Fund* v *Council*, T-235/22, not published, EU:T:2024:311, paragraph 66 and the case-law cited).

311 Respect for the rights of the defence, enshrined in Article 41(2)(a) of the Charter, includes, during a procedure preceding the adoption of restrictive measures, the right to be heard and the right of access to the file, while respecting the legitimate interests of confidentiality, which is enshrined in Article 41(2)(b) of the Charter (see judgment of 13 September 2018, *Sberbank of Russia* v *Council*, T-732/14, EU:T:2018:541, paragraph 111 and the case-law cited). In particular, the right to be heard guarantees every person the opportunity to make known his or her views effectively during an administrative procedure and before the adoption of any decision liable to affect his or her interests adversely (see, to that effect, judgment of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 75 and the case-law cited).

312 The right to effective judicial protection, provided for in Article 47 of the Charter, requires that the person concerned must be able to ascertain the reasons upon which the decision taken in relation to him or her is based, either by reading the decision itself or by requesting and obtaining disclosure of those reasons, without prejudice to the power of the court having jurisdiction to require the authority concerned to disclose that information, so as to make it possible for that person to defend his or her rights in the best possible conditions and to decide, with full knowledge of the relevant facts, whether there is any point in applying to the court having jurisdiction, and in order to put the latter fully in a position to review the lawfulness of the decision in question (see judgment of 15 May 2024, *Russian Direct Investment Fund* v *Council*, T-235/22, not published, EU:T:2024:311, paragraph 68 and the case-law cited). When that disclosure takes place, the competent EU authority must ensure that that person is placed in a position in which he or she may effectively make known his or her views on the grounds advanced against him or her (see judgment of 18 July 2013, *Commission and Others* v *Kadi*, C-584/10 P, C-593/10 P and C-595/10 P, EU:C:2013:518, paragraph 112 and the case-law cited).

313 Article 52(1) of the Charter nevertheless allows limitations on the exercise of the rights enshrined in the Charter, provided that the limitation concerned respects the essence of the fundamental right in question and, subject to the principle of proportionality, is necessary and genuinely meets objectives of general interest recognised by the European Union (see judgment of 28 November 2013, *Council* v *Fulmen and Mahmoudian*, C-280/12 P, EU:C:2013:775, paragraph 62 and the case-law cited). According to the Court, the rights of the defence might be subject to limitations or derogations, including in the sphere of the restrictive measures adopted in the context of the CFSP (see, to that effect, judgment of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 77 and the case-law cited).

314 Furthermore, the question whether the rights of the defence and the right to effective judicial protection have been breached must be examined in relation to the specific circumstances of each particular case, including the nature of the act at issue, the context of its adoption and the legal rules governing the matter in question (see judgment of 28 November 2013, *Council* v *Fulmen and Mahmoudian*, C-280/12 P, EU:C:2013:775, paragraph 63 and the case-law cited).

315 In that regard, it should be noted that the EU Courts distinguish between, on the one hand, the initial decision to adopt restrictive measures against a particular person or entity and, on the other, the

maintenance of those measures against that person or entity (see judgment of 14 January 2026, *Euro Asia Cargo* v *Council*, T-232/24, not published, EU:T:2026:2, paragraph 68 and the case-law cited).

316 Thus, although the Council is not required to hear the person or entity concerned before their initial listing, so that the restrictive measures in respect of them have a surprise effect, that institution is, in principle, required to hear that person or entity before deciding to maintain their names on the lists at issue. However, the right to be heard prior to the adoption of acts which maintain restrictive measures against persons already subject to those measures applies where the Council has admitted new evidence against those persons, but not where those measures are maintained on the basis of the same grounds as those that justified the adoption of the initial act imposing the restrictive measures in question (see judgment of 15 June 2017, *Kiselev* v *Council*, T-262/15, EU:T:2017:392, paragraph 145 and the case-law cited). Where the maintenance of the restrictive measures at issue or their extension is based on the same grounds as those which justified their adoption, without new evidence having been taken into account in relation to the persons concerned, the Council is not required, in order to respect those persons' right to be heard, to notify them again of the evidence against them (see judgment of 15 November 2023, *OT* v *Council*, T-193/22, EU:T:2023:716, paragraph 103 and the case-law cited).

317 It is in the light of those principles that the arguments put forward by the applicant in support of the fourth plea must be examined.

318 In the first place, as regards the applicant's argument that the Council did not notify it of the measures at issue, it should be borne in mind that while the absence of individual notification of those measures may have an impact on the date on which time started to run for the purposes of bringing an action, that does not in itself justify the annulment of those measures (see judgment of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 82 and the case-law cited).

319 Suffice it to note that the applicant does not put forward any arguments to demonstrate that the failure to notify the measures at issue individually resulted in a breach of its rights justifying the annulment of those measures in so far as they concern it.

320 In the second place, as regards the alleged breach of the applicant's rights of the defence and, in particular, of its right to be heard, it must be borne in mind that the applicant seeks the annulment of the contested decisions, by which the Council extended the application of Decision 2014/512 and, accordingly, maintained the measures at issue against it.

321 In that regard, it is apparent from the case-law cited in paragraphs 315 and 316 above that the right to be heard prior to the adoption of acts maintaining or extending restrictive measures against persons already subject to those measures presupposes that the Council has admitted new evidence against them, namely evidence which was not included in the initial decision to adopt those measures (see, to that effect, judgment of 13 September 2018, *Almaz-Antey* v *Council*, T-515/15, not published, EU:T:2018:545, paragraph 106 and the case-law cited).

322 In the present case, it is sufficient to note that the Council did not admit any new evidence against the applicant when it adopted the contested decisions. Indeed, the criteria on which the measures at issue were adopted have not been amended since their introduction by Decision 2022/395 (as regards the investment ban) and Decision 2022/1909 (as regards the transaction ban). In particular, as pointed out in paragraphs 121 to 141 above, it was because of its status as an entity wholly owned by the Russian State that the applicant was targeted by those measures.

323 In those circumstances, the Council was not required to hear the applicant prior to the adoption of the contested decisions, with the result that no breach of its right to be heard can be found.

324 In any event, it should be borne in mind that, according to settled case-law, a breach of the rights of the defence, in particular of the right to be heard, does not result in the annulment of the act in question unless, had it not been for that irregularity, the outcome of the administrative procedure that preceded the adoption

of the act might have been different, which it is for the person relying on such a breach to demonstrate (see judgment of 27 July 2022, *RT France* v *Council*, T-125/22, EU:T:2022:483, paragraph 93 and the case-law cited). The applicant, which does not deny that it is an entity wholly owned by the Russian State, has not put forward any arguments to demonstrate that the outcome of the procedure might have been different if it had been heard prior to the maintenance of the measures at issue or if the grounds for applying those measures had been disclosed to it beforehand.

325 In the third place, as regards the breach of the right to effective judicial protection alleged by the applicant, it should be recalled that, as is apparent from the examination of the third plea, the actual and specific reasons justifying the maintenance of the measures at issue were sufficiently clear for the applicant to understand them, which enabled it to defend its rights in the best possible conditions and to decide, with full knowledge of the relevant facts, whether there was any point in its bringing an action before the Court, in terms of the case-law cited in paragraph 312 above. In particular, the applicant was in a position to ascertain, from reading the provisions of Decision 2014/512, as amended, as recalled by the Council in its letters of 17 May 2023 (see paragraph 30 above) and 18 October 2024 (see paragraph 34 above), the reason for the adoption and maintenance of the measures at issue, which was essentially the fact that it was wholly owned by the Russian State.

326 Furthermore, with respect to the applicant's argument concerning the Council's failure to reply to its letter of 13 September 2024, suffice it to note that the Council did indeed reply to that letter on 18 October 2024 (see paragraph 34 above), with the result that that argument is unfounded in fact.

327 Lastly, as regards the applicant's reliance on the case-law according to which the Council is required to put forward a sufficiently specific, precise and consistent body of evidence to establish that there is a sufficient link between the person subject to a restrictive measure and the regime at issue or the situations being combated (judgments of 6 September 2023, *Pumpyanskaya* v *Council*, T-272/22, not published, under appeal, EU:T:2023:491, paragraph 30, and of 15 November 2023, *OT* v *Council*, T-193/22, EU:T:2023:716, paragraph 124), it must be borne in mind that that case-law concerns individual restrictive measures which were adopted by the Council on the basis of specific listing criteria targeting, inter alia, leading businesspersons involved in economic sectors providing a substantial source of revenue to the Russian Government. Thus, in those cases, the reasons relied on against the persons in question could be substantiated only on the basis of concrete evidence and information concerning the activities of those persons (judgment of 15 May 2024, *Russian Direct Investment Fund v Council*, T-235/22, not published, EU:T:2024:311, paragraph 50).

328 By contrast, the measures at issue, which are sectoral in nature, are not based on a specific assessment by the Council concerning the provision, by the applicant, of material or financial support to the Russian authorities in the context of the war in Ukraine, so that the Council was not required to establish, by means of a sufficiently specific, precise and consistent body of evidence, that the applicant was linked to the situation being combated in Ukraine (see, to that effect and by analogy, judgment of 15 May 2024, *Russian Direct Investment Fund* v *Council*, T-235/22, not published, EU:T:2024:311, paragraphs 51 and 52). Indeed, the applicant falls within the scope of the measures at issue in its sole capacity as an entity wholly owned by the Russian State. The Council was therefore under no obligation to disclose to it specific items of evidence upon which that institution had relied in order to adopt those measures (see, to that effect and by analogy, judgment of 15 May 2024, *Russian Direct Investment Fund* v *Council*, T-235/22, not published, EU:T:2024:311, paragraph 75).

329 It follows from all the foregoing that the fourth plea in law must be rejected.

5. ***The fifth plea in law, alleging breach of the Council's review obligation***

330 By its fifth plea, raised in the second statement of modification, the applicant complains that the Council failed to take into account its observations and did not properly address the arguments put forward in the second request for reconsideration. In particular, the applicant states that the Council, in its response of

8 July 2025, simply referred to its pleadings before the Court, thus ruling out any detailed review of the applicant's situation.

331 The Council, supported by the Commission, disputes those arguments.

332 According to the case-law, when the person concerned makes observations on the statement of reasons, the competent EU authority is under an obligation to examine, carefully and impartially, whether the alleged reasons are well founded, in the light of those observations and any exculpatory evidence provided with them (see judgment of 18 July 2013, *Commission and Others* v *Kadi*, C-584/10 P, C-593/10 P and C-595/10 P, EU:C:2013:518, paragraph 114 and the case-law cited).

333 In that connection, although, in order for the rights of the defence and the right to be heard to be observed, the EU institutions must enable the person concerned by an act adversely affecting him or her to make his or her views known effectively, those institutions cannot, however, be required to accept those views. Thus, the mere fact that the Council did not conclude that the extension of the restrictive measures at issue was not well founded, or even consider it necessary to carry out checks in the light of the observations submitted by the applicant, does not mean that such observations were not taken into account (see judgment of 20 September 2023, Mordashov v Council, T-248/22, not published, EU:T:2023:573, paragraph 65 and 66 and the case-law cited).

334 Furthermore, the Council is not required to reply, prior to the adoption of the envisaged restrictive measures, to the observations submitted by the person or entity concerned (judgment of 31 January 2019, *Islamic Republic of Iran Shipping Lines and Others* v *Council*, C-225/17 P, EU:C:2019:82, paragraph 92).

335 In the present case, it should be pointed out that the Council informed the applicant, as early as 28 January 2025, of its decision to maintain the measures at issue against it, inviting it to submit any observations it might have before 24 May 2025 (see paragraph 37 above).

336 The applicant submitted observations in its letter of 23 May 2025 (see paragraph 38 above), to which the Council replied by letter of 8 July 2025 (see paragraph 40 above).

337 In that letter of 8 July 2025 (see paragraph 40 above), the Council first stated that, since all the arguments raised by the applicant had already been set out in the application, it had also decided to refer to its own pleadings before the Court and, in so doing, had addressed the applicant's observations. In particular, the Council made clear that it had taken into account all the relevant information furnished by the applicant and the evidence available to that institution, including the evidence concerning the applicant resulting from the proceedings pending before the Court. Next, the Council recalled that it was not required to adopt a position on each observation made by the applicant and considered that it had, in any event, responded to the applicant's main arguments concerning, in particular, the adverse effects of the measures at issue on maritime safety and the environment, the existence of other less onerous measures and the infringement of Regulation No 391/2009. Lastly, the Council concluded, after examining the applicant's observations, that those observations did not cast doubt on its assessment that the application of the measures at issue to the applicant was justified. The Council therefore informed the applicant of its decision to maintain those measures against it and of the possibility of submitting further observations before 5 December 2025.

338 It follows that, in that letter, the Council responded to the applicant's observations to the requisite legal standard, for the purposes of the case-law cited in paragraphs 332 to 334 above.

339 That conclusion cannot be called into question by the applicant's argument that it did not receive a substantive response to its observations, since, first, the Council was not required to respond in detail (see judgment of 17 December 2025, *Melnichenko* v *Council*, T-1114/23, not published, EU:T:2025:1111, paragraph 51 and the case-law cited) and point by point to the observations and documents submitted by the applicant (see, to that effect, judgment of 23 October 2008, *People's Mojahedin Organization of Iran* v *Council*, T-256/07, EU:T:2008:461, paragraph 95) and, secondly, the failure to respond to all the observations and all the documents thus submitted does not demonstrate that the Council did not take those

documents and observations into account when reviewing the applicant's situation (see, to that effect, judgment of 29 November 2023, *Khan* v *Council*, T-333/22, not published, EU:T:2023:758, paragraph 152).

340 Furthermore, the fact that the Council decided to maintain the measures at issue against the applicant, despite the observations submitted by the latter, cannot constitute a breach of its review obligation, since that institution was not required to accept the view expressed by the applicant, in accordance with the case-law cited in paragraph 333 above. Moreover, the fact that the Council did not alter its assessment in spite of the applicant's criticism of, inter alia, the allegedly disproportionate nature of the measures at issue relates to the assessment of whether those measures are well founded and does not demonstrate that the Council failed to conduct an up-to-date review (see, to that effect, judgment of 29 November 2023, *Khan* v *Council*, T-333/22, not published, EU:T:2023:758, paragraph 151).

341 It must also be noted that, in the second request for reconsideration, the applicant merely restates the arguments already set out, inter alia, in the application and the reply. The Council cannot therefore be criticised for referring to its own pleadings lodged in the present action (see, to that effect, judgment of 15 November 2023, *OT* v *Council*, T-193/22, EU:T:2023:716, paragraph 104), as such reference does not prevent the Council from reviewing the applicant's situation (see, to that effect, judgment of 13 September 2023, *Rashnikov* v *Council*, T-305/22, not published, EU:T:2023:530, paragraph 157).

342 Consequently, the fifth plea in law must be rejected.

343 It follows from all the foregoing that the action must be upheld in so far as it seeks the annulment of Article 1ab(3) of Decision 2014/512, as amended, as extended by the contested decisions, to the extent that that provision provides for the withdrawal of the recognition granted to the applicant on the basis of Regulation No 391/2009, and must be dismissed as to the remainder.

IV. **The temporal effects of the present judgment**

344 Under the second paragraph of Article 264 TFEU, the EU Courts are to state, if they consider it necessary, which of the effects of the act which they have declared void are to be considered as definitive. It follows from the wording of that provision that the EU Courts may exercise such a power even of their own motion (see, to that effect, judgments of 1 April 2008, *Parliament and Denmark* v *Commission*, C-14/06 and C-295/06, EU:C:2008:176, paragraph 85, and of 29 September 2021, *Front Polisario* v *Council*, T-279/19, EU:T:2021:639, paragraph 396).

345 In the present case, it must be recalled that the applicant's second head of claim, seeking the annulment of the disputed provisions of Regulation No 833/2014, as amended, has been rejected as inadmissible (see paragraphs 57 to 76 above).

346 The fact remains that, in view of the close connection between a CFSP decision and the regulation intended to give effect to it, in terms of the case-law cited in paragraph 67 above, the maintenance in force of Article 5aa(4) of Regulation No 833/2014, as amended, even though the corresponding provision laid down in Article 1ab(3) of Decision 2014/512, as amended, has been annulled, would be liable seriously to jeopardise legal certainty, since those two acts impose on the applicant measures which are identical (see paragraph 22 above) (see, to that effect, judgments of 17 April 2013, *TCMFG* v *Council*, T-404/11, not published, EU:T:2013:194, paragraph 43, and of 9 June 2021, *Borborudi* v *Council*, T-580/19, EU:T:2021:330, paragraph 94).

347 In those circumstances, a decision maintaining the effects of Article 1ab(3) of Decision 2014/512, as amended, as extended by the contested decisions, for a period not exceeding two months and ten days from the date of delivery of the present judgment, constitutes a fair application of the second paragraph of Article 264 TFEU.

V. **Costs**

348 Under Article 134(3) of the Rules of Procedure, the parties are to bear their own costs where each party succeeds on some and fails on other heads.

349 In the present case, the applicant's claims seeking the annulment of the disputed provisions, referred to in paragraph 45 above, are dismissed in part as inadmissible and in part as unfounded, with the exception of its application for the annulment of Article 1ab(3) of Decision 2014/512, as amended by Decision 2022/1909 and extended by the contested decisions. It is therefore appropriate to order the applicant and the Council to bear their own costs.

350 In addition, under Article 138(1) of the Rules of Procedure, the Member States and institutions which intervened in the proceedings are to bear their own costs. The Commission must, therefore, bear its own costs.

On those grounds,

THE GENERAL COURT (Seventh Chamber, sitting with five Judges)

hereby:

1. Annuls Article 1ab(3) of Council Decision 2014/512/CFSP of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine, as amended by Council Decision (CFSP) 2022/1909 of 6 October 2022 and as extended by Council Decision (CFSP) 2024/2026 of 22 July 2024 amending Decision 2014/512, by Council Decision (CFSP) 2025/175 of 27 January 2025 amending Decision 2014/512, by Council Decision (CFSP) 2025/1320 of 30 June 2025 amending Decision 2014/512, and by Council Decision (CFSP) 2025/2648 of 22 December 2025 amending Decision 2014/512, in so far as it provides for the withdrawal of the recognition granted by the European Union to the Russian Maritime Register of Shipping under Regulation (EC) No 391/2009 of the European Parliament and of the Council of 23 April 2009 on common rules and standards for ship inspection and survey organisations;

2. Orders the effects of Article 1ab(3) of Decision 2014/512, as amended by Decision 2022/1909 and as extended by Decisions 2024/2026, 2025/175, 2025/1320 and 2025/2648, to be maintained for a period not exceeding two months and ten days from the date of delivery of the present judgment;

3. Dismisses the action as to the remainder;

4. Orders the Council of the European Union and the Russian Maritime Register of Shipping to each bear their own costs;

5. Orders the European Commission to bear its own costs.

Papasavvas Kecsmár Madise

Öberg Truchot

Delivered in open court in Luxembourg on 4 November 2026.

T. Henze M. J. Costeira

Acting Registrar President

* Language of the case: English.