



COMPLIANCE CIRCULAR

14/2022 [CC 14_2022]

To: ALL FIRMS
ALL COMPLIANCE OFFICERS

Date: 7 June 2022

Subject: Sixth package of sanctions imposed by the EU against Russia

The Institute of Certified Public Accountants (ICPAC) with the present Circular draws the attention of its Members to Regulation [\(EU\) 2022/879 of 3 June 2022 amending Regulation \(EU\) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine](#) (the “sixth package” of sanctions) imposed on 3 June 2022 by the European Union against Russia.

The sixth package of sanctions, provides, inter alia, an amendment of **article 5m** in relation to the prohibition of registering trusts and providing trustee services to trusts or other legal arrangements.

The amendments to **article 5m** include the following:

- Article 5m(2): Extension of the deadline to cease to provide services to trusts of the 10th of May 2022 to the 5th of July 2022.
- Article 5m(5): Introduction of the power to each Member States competent authority to further extend the deadline beyond the 5th of July:
 - to the 5th of September 2022 for operations necessary to terminate the trusts, and
 - for other reasons, provided that the professional will not accept any funds or distribute any benefit to Russian nationals or persons residing in Russia or legal persons, entities or bodies established in Russia

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- Article 5m(6)(c): a new **exemption** to provide services to the operation of trusts whose purpose is the administration of occupational pension schemes, insurance policies or employees share scheme, charities, amateur sports clubs and funds for minors or vulnerable adults.

Further to the amendment to article 5m, the sixth package has introduced **article 5n** in relation to the prohibition of providing directly or indirectly:

- accounting, auditing, bookkeeping or tax consulting services, or
- business and management consulting services, or
- public relations services.

The **article 5n prohibition**, applies to:

- the Russian Government, or
- Legal persons, entities or bodies established in Russia.

Under article 5n(4) an **exemption** of the prohibition of providing services is provided for legal persons, entities or bodies established in Russia that are owned by, or solely or jointly controlled by, a legal person, entity or body incorporated in an EU Member State.

It is noted that, regarding the term “Russian national or natural person residing in Russia” the European Commission has issued a relevant [Q&A](#), which states that the relevant prohibitions do not apply to persons holders of **both** Russian passport **and** EU member-state passport.

Furthermore, we draw your attention to Q5 of the [FAQs date 19 May 2022](#) in relation to the need to freeze assets transferred to family members of a designated person.

Finally ICPAC would like to remind all members of the [Sanctions and Restrictive Measures Section in ICPAC’s website](#) where all listing are uploaded without delay and to the European Commission’s regular issue of [Q&As](#), which are uploaded in the [Russian Sanctions Hub](#) on ICPAC’s website.