



COMPLIANCE CIRCULAR

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To: ALL MEMBERS OF THE INSTITUTE
ALL FIRMS
ALL COMPLIANCE OFFICERS

Date: 24 February 2022

Subject: EU targeted restrictive measure listings

In light of the new developments in relation to the Russian Federation's decision to proceed with the recognition of the non-government controlled areas of the Donetsk and Luhansk oblasts of Ukraine as independent entities, and the subsequent decision to send Russian troops into these areas, the Council of the European Union has imposed targeted restrictive measures. To access the list please follow the [link](#).

ICPAC draws your attention to the restrictive measures imposed, which include an **asset freeze** and a **prohibition from making funds available** to the listed individuals and entities. In addition, a **travel ban** applicable to the listed persons prevents these from entering or transiting through EU territory.

ICPAC highlights the **binding, obligatory and absolute** nature of the restrictive measures and reminds its members of their obligation to apply all necessary measures for absolute compliance with their provisions to avoid any breach of the restrictive measures that could bring about criminal charges.

Members are required to:

- i. study the list of designated persons and the restrictive measures imposed and assess the extent to which these measures affect their clients and their firms,

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- ii. background check their clients and any transactions, including funds, assets and goods
- iii. assess the risks attached to their direct or indirect involvement in the processing of transactions,
- iv. report any identified breaches to the restrictive measures

In case you are contacted by a new client who is subject to sanctions to engage in a business relationship, you are required to assess with rigour the risks associated to the clients and the measures that will need to be adopted, including avoiding the commencement of any business relationship with the client. If the persons subject to the restrictive measures are existing clients or associates, ICPAC urges its Members to carefully examine the actions/measures that may need to be undertaken, depending on the type of services provided and the nature of their business (e.g. freezing the execution of instructions, termination of audit services).

ICPAC reminds its Members of the [Directive for the compliance with the Provisions of the UN Council Resolutions \(Sanctions\) and the Decisions/Regulations of the Council of European Union \(restrictive measures\)](#) issued by the Institute in June 2021.

Furthermore, ICPAC reminds its Members of the section designated to Sanctions and Restrictive Measures in the Members Section of its website, which uploads any new EU/UN listings without delay. To access the section, please follow the [link](#).