**Text, logo

Description automatically generated**

**Financial restrictive measures**

On May 24, the European Council strongly condemned the forced landing of a plane in Minsk and the arrest by Belarusian authorities of journalist Raman Pratasevich and Sofia Sapega and required financial sanctions to be taken.

****  
This event happens a few months after Luxembourg has adopted the law of 19 December 2020 relating to the implementation of restrictive measures in financial matters. This regime aims to facilitate and create a dedicated legislative means for the implementation of financial restrictive measures adopted by the United Nation, the European Union and on a national level.

Financial restrictive measures are no more longer only correlated to terrorism financing but can be the results of a threat the international security and peace, a violation of human rights or proliferation of weapons of mass destruction.

This new regulation also expands the range of financial sanctions providing the authorities an adaptable and stronger toolbox (i.e. general prohibition or restriction of financial activities, on the supply of financial services and the freezing of funds, assets or other economic resources).

The key component of this framework may reside in the extended scope as it encompasses nearly every physical and legal entity operating on the Luxembourg business market. Each professional is now obligated to perform a materiality assessment ensuring that its clients or related effective beneficiaries are not classified as a sanctioned entity.