

Romania freezes bank accounts of EU-sanctioned TMK steel holding

Romania has taken restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine against three entities indirectly controlled through TMK Steel Holding United by a natural person on the list of sanctions imposed EU-wide, Romania's National Tax Administration Agency (ANAF) reported on Thursday.

"ANAF has implemented the provisions of Article 2(1) of Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine against TMK Artrom SA, TMK Assets SRL and TMK Europe GMBH, indirectly controlled by TMK Steel Holding United (CY), by a natural person on the list of sanctions imposed at European Union level. In accordance with EU Regulation No. 269/2014, 'all funds and economic resources belonging to, owned, held or controlled by any natural persons or natural or legal persons, entities or bodies associated with them as listed in Annex I shall be frozen.'"

The measures taken concern the bank accounts as well as any other funds or economic resources, as defined in Article 1 of the regulation.

The orders of the chairman of ANAF sanctioning the three entities have been sent for publication in the Official Journal of Romania.

"At the same time, at the request of SC TMK Artrom SA, it has been granted the derogation provided for in Article 6 (1) (a) and (b) of Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine for making payments essential for the continuation of the company's business and the payment of employees' salary, payments to suppliers and credit institutions.".

Payments are authorised provided that their addressees are not listed in Annex I to Council Regulation (EU) No 269/2014, as subsequently amended and supplemented.

Similar derogations have been adopted in other EU member states as well, according to ANAF.

On Thursday, TMK-Artrom Slatina unionists announced that they would protest next week if the company's employees did not receive their salaries by then, with payments delayed by nine days due to the freezing of the company's accounts amidst sanctions against Russia.

The unionists also argued that TMK-Artrom's accounts should not have been frozen because Russian businessman Dimitri Pumpianski, the ultimate beneficial owner (UBO) on the Russia sanctions list had resigned as a trustee and transferred his shares in the Cyprus-based company that owns the TMK group to unsanctioned persons.