

Yachts and villas: the Italian freezes

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

The Italian freezes became internationally known through the yachts and villas of Russian billionaires on the Ligurian and Sardinian coasts. In the first days of March 2022 the Italian authorities announced the freezing of assets worth EUR 143 million belonging to listed persons.¹ By the summer of 2023 an investigation by the newspaper *Domani* with a European consortium of journalists counted just over EUR 2 billion in frozen assets in Italy, about 10 per cent of the total frozen in the European Union. The Italian list comprised eight yachts and other vessels, five aircraft, eight companies, about one hundred residential properties including thirty-eight villas, more than 100,000 square metres of land, dozens of luxury cars and bank balances of a few hundred thousand euros.² The largest single items were the sailing yacht *A* attributed to Andrey Melnichenko, valued at about EUR 530 million, and the motor yacht *Scheherazade*, valued at about EUR 650 million and attributed in the same report to Eduard Khudaynatov. Six villas on the Costa Smeralda attributed to Alisher Usmanov were valued at EUR 133 million.³

The Italian figures show a different profile from the Swiss ones. Italy froze mainly physical assets: houses, boats and aircraft, whose custody costs the State Property Agency must bear or recover. Switzerland froze mainly financial assets held by banks, together with a small number of properties. The difference reflects the roles of the two countries for wealthy Russians before 2022. Italy was a place of residence and leisure, Switzerland a place of banking and trading. A Ticino bank that held the accounts of a person whose villa was frozen in Sardinia had to freeze the accounts in Lugano under the Swiss list and might receive a request for information from the Italian authorities through mutual assistance.

1 Criminalization: Directive (EU) 2024/1226 and Legislative Decree No. 211/2025

Until 2025 Italy punished most violations of the sanctions as administrative offences, while penalties for the export of dual-use goods and for certain violations of trade embargoes were laid down in Article 20 of Legislative Decree No. 221 of 15 December 2017. The reform of 2025 repealed paragraphs 1 to 3 of that article and moved these offences into the Penal Code.⁴ Directive (EU) 2024/1226 of 24 April 2024 required the member states to define the violation of Union restrictive measures as a criminal offence and to harmonize minimum penalties.⁵ Italy transposed it by Legislative Decree No. 211 of 30 December 2025, published in the *Gazzetta Ufficiale* of 9 January 2026 and in force since 24 January 2026. The decree inserted a new chapter on offences against the foreign and security policy of the Union into the Penal Code, comprising Articles 275- *bis* to 275- *decies*.⁶

The new offences carry substantial penalties. The violation or circumvention of Union restrictive measures under Article 275- *bis* is punishable by imprisonment of two to six years and a fine of EUR 25,000 to EUR 250,000. Violations of the obligations to provide information carry six months to two years and EUR 15,000 to EUR 50,000 (Art. 275- *ter*), violations of the conditions of an authorization two to five years and EUR 25,000 to EUR 150,000 (Art. 275- *quater*). Grossly negligent violations concerning military or dual-use goods are punishable by six months to three years and EUR 15,000 to EUR 90,000 (Art. 275- *quinquies*).⁷ Below a value of EUR 10,000 most violations remain administrative, except for military and dual-use goods. Companies are liable under Legislative Decree No. 231 of 8 June 2001 with fines of 1 to 5 per cent of annual turnover, or EUR 3 million to EUR 40 million where turnover cannot be determined, and with disqualification measures of up to six years. The National Anti-Mafia and Anti- Terrorism Prosecutor coordinates investigations.⁸

For a Lugano company the Italian reform has a direct relevance. Italian criminal law applies when any part of the conduct or its result occurs in Italy, which is the case when goods leave from an Italian port, an Italian bank processes the payment or an Italian employee takes part in the decision.⁹ Since the reform the new offences are also predicate offences for the liability of entities under Legislative Decree No. 231/2001 (Art. 25- *octies*.2), so that a Swiss company whose managers or employees commit such an offence in Italy in its interest is exposed to proceedings under that decree as well. The difference between the Swiss maximum of five years under Article 9 EmbA, prosecuted in practice by an administrative

authority, and the Italian range of two to six years, investigated by the Guardia di Finanza and coordinated by the anti-mafia prosecutor, is one of the most significant asymmetries at the southern border.

2 Notes

1. Sky TG24, 7 March 2022 (above) (EUR 143 million). ↩
2. Stefano Vergine, "Il tesoro italiano degli oligarchi di Putin", Domani, 26 June 2023 (updated 4 July 2023), <https://www.editorialedomani.it/fatti/tesoro-italiano-oligarchi-di-putin-ivcg1o5k>. ↩
3. Vergine, Domani (above) (values and attributions as reported). ↩
4. Bennato, Sistema Penale (above) (previous rules "della natura [...] prevalentemente amministrativa"; d.lgs. 221/2017 among the acts amended); Decreto legislativo 30 dicembre 2025, n. 211, Art. 12 para. 1 ("le disposizioni di cui all'articolo 20, commi 1, 2 e 3, del decreto legislativo 15 dicembre 2017, n. 221, sono abrogate") and Art. 9 para. 2 (new Art. 20 para. 3- ter: UAMA competent for administrative sanctions), text as reproduced at <https://www.fiscoetasse.com/files/21181/dlgs-211-2025-231.pdf>. ↩
5. Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673, OJ L, 2024/1226, 29.4.2024, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32024L1226> (Art. 20: transposition by 20 May 2025). ↩
6. Bennato, Sistema Penale (above). ↩
7. Decreto legislativo 30 dicembre 2025, n. 211, text as reproduced at <https://www.fiscoetasse.com/files/21181/dlgs-211-2025-231.pdf> (Art. 275- bis to 275- quinquies c.p.). ↩
8. Bennato, Sistema Penale (above) (threshold of EUR 10,000; fines of 1–5 per cent of turnover or EUR 3– 40 million; disqualification of two to six years for senior managers; coordination by the Procura nazionale antimafia e antiterrorismo). ↩

9. Codice penale, Art. 6 para. 2 ("Il reato si considera commesso nel territorio dello Stato, quando l'azione o l'omissione, che lo costituisce, è ivi avvenuta in tutto o in parte, ovvero si è ivi verificato l'evento che è la conseguenza dell'azione od omissione"), <https://www.brocardi.it/codice-penale/libro-primotitolo-i/art6.html>; Bennato, Sistema Penale (above), and Decreto legislativo 30 dicembre 2025, n. 211 (above) (new Art. 25- octies .2 of Decreto legislativo 8 giugno 2001, n. 231). ↩

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