

(English version)

**Question for written answer E-004887/25
to the Commission
Markéta Gregorová (Verts/ALE)
(10 December 2025)**

Subject: Exclusion of Rosatom-affiliated entities from EU State aid and public procurement

Despite documented evidence of Rosatom's complicity in torture and nuclear safety violations at Zaporizhzhia nuclear power plant, EU companies maintain commercial relationships with Rosatom directly and through its network of subsidiaries and joint ventures operating across multiple jurisdictions.

The fragmented corporate structure of Rosatom, including entities such as TVEL, Techsnabexport, Atomenergomash, and dozens of subsidiaries, creates regulatory blind spots that enable continued business operations while circumventing EU corporate sustainability frameworks. In September 2025, the EU Court of Justice annulled Commission approval of EUR 12.5 billion state aid for Rosatom's Paks II project, ruling that the Commission failed to verify EU public procurement compliance.

1. What criteria can the Commission establish to restrict, suspend, or exclude companies maintaining commercial relationships with Rosatom-affiliated entities from EU State aid, public procurement contracts, and Horizon Europe research funding?
2. What due diligence and beneficial ownership transparency requirements are applicable to prevent circumvention of EU corporate sustainability frameworks through shell companies and intermediaries?

Submitted: 10.12.2025

**Answer given by Executive Vice-President Ribera on behalf of the European Commission
(27 April 2026)**

1. Member States must respect EU legislation, including EU corporate sustainability frameworks. When examining the compatibility of a state aid measure, the Commission is required to verify, within the state aid procedure, that other relevant provisions of EU law are respected. This obligation arises where those aspects are so linked with the aid that it must be examined within that procedure.

EU law (Article 5k of Council Regulation (EU) No 833/2014, as amended by Regulation 2022/576) prohibits the award of new public procurement contracts or the execution of existing contracts with Russian-owned, Russia-based, or Russian-controlled entities, including subcontractors or suppliers contributing 10% or more of a contract's value. To enforce these measures, contracting authorities are required to carry out due diligence checks, obtain declarations from tenderers and verify ownership structures.

The EU restrictive measures towards Russia prohibit support to legal entities established in Russia and to legal entities established outside Russia whose proprietary rights are directly or indirectly owned for more than 50% by entities established in Russia⁽¹⁾. This means that such entities cannot participate in Horizon Europe⁽²⁾ actions, in any capacity. Moreover, the Horizon Europe work programmes set out eligibility restrictions prohibiting the participation of legal entities established in Russia, Belarus or non-government-controlled territories of Ukraine in any capacity in any grant.

2. Currently applicable EU law requires that any entity subject to the anti-money laundering (AML) framework⁽³⁾ determines the beneficial ownership (BO) of their customers, and that all EU legal entities must register their own BO in national registers. With the application date of Directive 2024/1640⁽⁴⁾ the latter obligation will be expanded to any third country legal entity entering into a business relationship with an entity in the EU subject to the AML framework.

Regarding corporate sustainability, Directive 2024/1760 (CSDDD)⁽⁵⁾ imposes a duty, which will become effective in July 2029, on large companies to regularly identify and address potential and actual adverse human rights and environmental impacts in their own operations, those of their subsidiaries and in their chains of activities. There are important safeguards to close potential loopholes, including calculating relevant turnovers also at the group level and considering controlled undertakings as subsidiaries.

⁽¹⁾ Article 5l of Council Regulation (EU) No 833/2014.

⁽²⁾ https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe_en.

⁽³⁾ https://finance.ec.europa.eu/financial-crime/anti-money-laundering-and-counteracting-financing-terrorism-eu-level_en.

⁽⁴⁾ As of 10 July 2027, <https://eur-lex.europa.eu/eli/dir/2024/1640/oj/eng>.

⁽⁵⁾ Directive 2024/1760 on corporate sustainability due diligence, currently in the process of being amended in the context of the Omnibus I simplification package. Under the political agreement reached in December 2025, the directive will enter into application in July 2029.