

# Directive (EU) 2024/1226 Compliance Readiness Checklist

The Directive (EU) 2024/1226 introduces stricter penalties, standardized enforcement, and enhanced compliance requirements across all EU member states. Trade compliance professionals must act now to mitigate risks and ensure their business is aligned with the new regulatory landscape.

Use this checklist to assess your organization's readiness and identify areas for improvement.

## Immediate Actions: Is Your Organization Ready?

### Understand the New Directive

- ☐ Review the key provisions of Directive (EU) 2024/1226.
- ☐ Assess how harmonized sanctions enforcement impacts your industry
- ☐ Identify the new penalties and compliance obligations.
- ☐ Assess if your internal trade compliance processes are ready to adapt to the change.

### Assess Your Current Program

- ☐ Conduct a compliance gap analysis to compare current policies against the Directive's requirements.
- ☐ Review existing sanctions enforcement practices to ensure alignment with the new Directive.
- ☐ Identify high-risk areas, including supply chain, and third-party relationships.

### Upgrade Your Process

- ☐ Ensure your organization is using an automated denied party screening solution.
- ☐ Verify that screening is conducted in real-time for all transactions and partners.
- ☐ Check that screening covers all global sanctions lists, not just EU regulations.
- ☐ Use AI-powered tools to reduce false positives, improve screening accuracy and reduce the burden on your team.

### Strengthen Internal Reporting

- ☐ Implement a centralized reporting system. Make it accessible and visible to all stakeholders.
- ☐ Automate compliance reporting to reduce manual errors.
- ☐ Ensure all sanctions violations are recorded and reported in accordance with EU guidelines.
- ☐ Ensure timely trade compliance audits.

### Enhance Compliance Controls

- ☐ If operating in multiple EU countries, ensure sanctions enforcement is consistent across all jurisdictions.
- ☐ Align your compliance program with both EU and non-EU sanctions regimes (e.g., U.S. OFAC, UK, UN).
- ☐ Monitor potential conflicts between EU Directives and other international regulations.

### Prepare for Increased Enforcement

- ☐ Understand the new financial penalties, operational restrictions, and legal and financial consequences.
- ☐ Ensure executives and compliance officers are aware of potential criminal liability risks.
- ☐ Establish an internal audit process to regularly check compliance.

## Technology & Automation: Are You Leveraging the Right Tools?

### Invest in Advanced Technology

- ☐ Deploy a sanctions compliance solution that integrates with your ERP/CRM system.
- ☐ Utilize Descartes Denied Party Screening™ or equivalent for seamless screening of business partners.

### Implement AI-Powered Monitoring

- ☐ Use an AI tool such as Descartes Visual Compliance™ AI Assist for risk detection to identify potential sanctions violations in advance.
- ☐ Automate real-time updates on evolving sanctions lists.

### Improve Data Management

- ☐ Utilize dashboards & analytics to track compliance performance.
- ☐ Ensure audit trails are accessible for auditors and internal reviews.

## Training & Governance: Is Your Team Prepared?

### Train Your Compliance Team

- ☐ Conduct mandatory training on Directive (EU) 2024/1226 and its implications.
- ☐ Ensure all employees understand new sanction requirements and reporting obligations.
- ☐ Provide scenario-based training on risk assessment and escalation procedures.

### Collaborate Across Departments

- ☐ Work with your legal counsel to assess compliance risks under the Directive.
- ☐ Establish clear lines of responsibility for sanctions compliance.

## Final Compliance Readiness Check

- ☐ Does your organization have an updated, EU-compliant sanctions screening system?
- ☐ Are your compliance policies harmonized across all EU jurisdictions?
- ☐ Have you trained key personnel on new enforcement risks and reporting requirements?
- ☐ Are you leveraging AI and automation to ensure full compliance with real-time monitoring?
- ☐ Have you conducted a full risk assessment of your supply chain, partners, and customers?

If you answered “NO” to any of these, now is the time to act!  
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