

By PwC Deutschland | 31. Januar 2026

Germany: Foreign trade and criminal law tightened

With the legislative amendments providing for the enforcement of sanctions in criminal law Germany transposed EU Directive 2024/1226 which will now significantly increase liability risks for companies. A large number of violations of foreign trade law will no longer be prosecuted as an administrative offense but as a criminal offense.

On 15 January 2026, the German Bundestag passed a long-debated tightening of the criminal and administrative offense provisions of the Foreign Trade Act (*Außenwirtschaftsgesetz*) and the Foreign Trade and Payments Regulation (*Außenwirtschaftsverordnung*) meant to implement EU Directive 2024/1226. In future, companies will have to be even more vigilant in their sanctions compliance and review existing processes.

The focus of the law (as amended) is on the provisions regarding penalties and fines in Sections 18 and 19 of the Foreign Trade Act (FTA) and subsequent amendments to Section 82 of the Foreign Trade and Payments Regulation (FTPR) as regards administrative offenses and violations of acts of the European Union.

The following changes are of particular relevance in practice:

-> The **personal grounds for exemption from punishment** in Section 18 (11) FTA have been removed. According to Section 18 (11) FTA (old), no punishment was imposed on anyone who contravenes a published judicial order before the end of the second working day following the publication and has no knowledge of a restriction imposed by that order at the time of the offence.

- The **implementation** of new sanctions guidelines **on a precise and daily basis** is now an absolute must.

- Minor violations in connection with **dual-use goods** will in future be considered criminal offenses and no longer be punished as mere misdemeanors or administrative/regulatory offenses.

- Many violations that previously (e.g., under Section 82 FTPR or Section 19 para. 5 FTA) could only be prosecuted as administrative offenses **now constitute criminal offenses** if committed willfully and in a premeditated act. This now also includes certain violations of reporting obligations.

- The **maximum penalty** for corporate fines in case of violations will be increased from EUR 10 million to EUR 40 million. Corresponding breaches of supervisory duties can now also be punished with fines of up to EUR 40 million.

In summary, it can be said that legislators are aware of practical difficulties associated with implementing appropriate measures. Nevertheless, there is a clear tendency: Negligence in preventing violations will no longer be tolerated under foreign trade criminal law.

If you have **any questions on this subject**, please contact our experts mentioned at the bottom of the **German blog post**.

Schlagwörter

Compliance, Enforcement