



Introduction to Financial Sanctions

Financial Intelligence Unit, Anguilla

Point to Remember

"Ignorantia Juris Non Excusat"

means that the Ignorance of the law is no excuse at all.



Module Objectives

At the end of this module you should be able to:

- ★ Develop an understanding of financial sanctions and their purpose
- ★ Understand the role of the competent authorities responsible for financial sanctions
- ★ Gain an understanding of how to comply with obligations in managing financial sanctions
- ★ Understand the concept of sanctions screening and steps to be taken to comply with sanctions
- ★ Gain an understanding of how to report matches and or breaches to the reporting authority to avoid sanctions violations

Knowing and Understanding Financial Sanctions



What are Financial Sanctions?

“Financial sanctions are restrictive measures imposed on persons, entities and bodies in an effort to curtail their activities, to exert pressure and influence a change in behaviour. Restrictive measures include, but are not limited to, financial sanctions, trade sanctions, restrictions on travel or civil aviation restrictions” (Central Bank of Ireland).

Difference between Sanctions and Targeted Financial Sanctions

Sanctions are prohibitions and restrictions put in place with the aim of maintaining or restoring international peace and security.

Targeted Financial Sanction entails the use of financial instruments and institutions to apply coercive pressure on specific parties in an effort to change or restrict their behaviour.

Types of Sanctions

Some of the most common types of sanctions that may be imposed by the UK include:

- **trade sanctions**, including arms embargoes and other trade restrictions
- **financial sanctions**, including asset freezes
- **immigration sanctions**, known as travel bans
- **aircraft and shipping sanctions**, including de-registering or controlling the movement of aircraft and ships

Types of Financial Sanctions

Based on the particular circumstances and objectives of the regime, each sanctions regime imposes sanctions measures.

- **Targeted asset freezes on designated persons and entities-** restrict access to funds and economic resources
- **Restriction on a wide range of financial markets and services-** applied to specific individuals and entities, groups, or entire industries. They can be in the form of
 - investment bans
 - restrictions on access to capital markets
 - instructions to terminate banking relationships and activities
 - requirements to notify or seek authorization prior to making or receiving certain payments;
 - restrictions on the provision of financial, insurance, brokerage, or advisory services, or other financial services.
- **Instruction to immediately stop all business-** these will clearly state the sort of business and can pertain to an individual, group, sector, or country.

General guidance on financial sanctions in the United Kingdom (August 2022)

Why are Financial Sanctions Implemented?

Financial Sanctions are a mechanism that play a critical role in influencing behavior. They are imposed to:

- **Protect** a person's personal or business, or a charitable organization's, misappropriated assets until they can be returned.
- **Block** access to resources that would allow those under sanctions to continue to their behaviour.
- **Coerce** regimes or individuals to change their actions, this is done through increasing cost
- **Signal disapproval**, stigmatizing and possibly alienating a regime or individual, or as a means of sending broader national or international political messages

Sanctions change behavior because they are able to cut off revenues and access to resources .

It is therefore vital to implement comprehensive due diligence practices into your regulatory compliance procedures, including sanctions screening, vessel tracking, document verification and other practices to mitigate the risk of not complying with sanctions.

Who Imposes Sanctions?

Sanctions are imposed by the United Nations, European Union, the United States of America and the United Kingdom. The USA and UK implements sanctions issued by the UN or they may place their own sanctions. As a result of sanctions multiple sanctions regimes have been created.

What is a Regime?

*A regime creates the legislation for which a sanction can be implemented. A regime can be by **country or thematic**.*

Examples of a Sanction Regimes?

- Russia Regime
- Iran (Nuclear) Regime
- Global Anti-Corruption Regime
- Democratic People's Republic of Korea Sanction

Every regime has a purpose, whether to combat crimes against humanity, combat links to terrorism, or curb violence.

Domestic Competent Authorities and their Responsibilities

The following domestic competent authorities play a significant role in the regulatory functions and the implementation of financial sanctions issued and adopted by Anguilla.

HE Governor

Competent authority with responsibility for the implementation of financial sanctions measures. Power to grant, vary, revoke licences; publication of certain lists; the power to delegate any of the Governor's functions.

Attorney General's Chambers

Drafts legislation, provides support to competent authorities in relation to financial sanctions, prosecutes and enforces breaches of financial sanctions and the freezing of accounts, property or assets where applicable.

Financial Intelligence Unit

Receives disclosures, investigates breaches, monitoring and compliance.

Financial Services Commission

Responsibility for regulation, supervision and inspection of all financial services within Anguilla.



How does Anguilla implement Financial Sanctions

As a British Overseas Territory, Anguilla must implement all UK sanctions regulations received through HM Governor.

The United Kingdom utilizes The UK Sanctions and Anti-Money Laundering Act 2018 (Sanctions Act) to make sanctions regulations.

Sanctions regulations are then extended to Anguilla, with modifications, through implementing Orders in Council¹ (Orders) issued by the Office of Financial Sanctions Implementation (OFSI). Orders in Council are introduced into Anguilla law and gazetted by the Gazette Office. These are immediately applicable to Anguilla.

¹ Orders in Council are made by the King acting on the advice of the Privy Council and are approved in person by the monarch.

Importance of Financial Sanctions Reporting in Anguilla

FATF Recommendation 6² - Targeted Financial Sanctions Related to TF - requires each country to impose targeted financial sanctions in order to comply with United Nations Security Council resolutions requiring countries to freeze funds or other assets without delay, and to ensure that no funds or other assets are made available to or for the benefit of:

- (i) any person or entity designated by the United Nations Security Council (the Security Council) under Chapter VII of the Charter of the United Nations, as required by Security Council resolution 1267 (1999) and its successor resolutions; or
- (ii) any person or entity designated by that country pursuant to Security Council resolution 1373 (2001).

It helps to combat illegal activity.

Sanctions obligations under the Overseas Territories Orders require natural and legal persons, entities and bodies to provide information that will enable compliance with regulations.

² <https://www.fatf-gafi.org/content/dam/recommandations/FATF%20Recommendations%202012.pdf.coredownload.inline.pdf>

Who is subject to Targeted Financial Sanctions?

Any person or entity who has been sanctioned by the United Nations, EU, USA or United Kingdom.

This person or entity is known as a **designated person**.

Who is obligated to comply with Financial Sanctions?

UK financial sanctions which include financial sanctions and target financial sanctions apply to all persons within the territory, overseas territories and territorial sea of the UK and to all UK persons wherever they are in the world.

Therefore;

- All individuals and legal entities who are within or undertake activities within the UK's territory must comply with UK financial sanctions that are in force.
- All UK nationals and legal entities established under UK law, including their branches, must also comply with UK financial sanctions that are in force, irrespective of where their activities take place.

Guidelines to Compliance



What MUST be done?



Maintain and update sanctions database

- Entities are required to maintain a sanctions database on the consolidated list
- The list must be updated upon publication of a designation

Screening & Due diligence

- Conduct sanction screening on existing, potential and new customer (including Beneficial owners and beneficiaries) against sanctions list
- Conduct due diligence on all related parties

Freeze or Reject

If there is a positive match you are to, **'without delay'**:

- Reject transactions for new and potential customers
- Freeze funds or property for existing customers
- Block track transactions

Report

If there is a positive match, you are immediately required to:

- Report the matter to the Financial Intelligence Unit

Guidelines for Complying with Financial Sanctions: Maintaining a Database

- Persons (legal and natural) should be able to keep pace with the ever-changing sanctions landscape to ensure compliance. To effectively manage sanctions risk, persons are required to conduct screening processes for both existing and new customers, property purchases, asset acquisitions and any other transactions against multiple sanctions lists.
- Where volumes are high persons may employ an automated screening system to mitigate risks.
- It is essential that persons maintain and update their internal policies and procedures as well as conduct routine monitoring and regular training similar to your AML CFT obligations.
- Additionally, persons may utilize a subscription based screening tool such as Lexus Nexis Risk Management Solutions or World Check to conduct screening.
- Entities should ensure that reliable and accurate data (KYC information) is available for sanction screening to avoid false positives.

Guidelines for Complying with Financial Sanctions: Sanctions Screening

Individuals and Reporting Entities are required to undertake sanction screenings to detect, prevent, and manage sanctions risk.

What is Sanction Screening?

Sanction screening is checking an individual or entity against a designated persons or entity list to determine whether the person is a designated person or entity. The process used to conduct the screening may be manual or automated. It should also include the conduct of screening individuals, entities or vessels. Persons are required to conduct this process at on-boarding, when conducting transactions and on a regular basis. This included screening for Politically Exposed Persons (“PEPs”).

Screening can be conducted against any one of the maintained consolidated lists that are publicly available.

Guidelines for Complying with Financial Sanctions: Sanctions Screening

Why is it Important?

Sanctions screening is critical in creating a resilient framework for combating ML, TF and PF. It helps to protect individuals and entities from engaging with designated persons. Therefore, it is an important mechanism:

- To identify designated persons, where assets are to be frozen and reports made.
- To ensure that a person is not conducting business with or holding assets for a designated person or entity.
- To ensure that changes in the status of new or existing customers are identified in a timely manner.
- To identify sanctions breaches or non-compliance.
- To mitigate the risk involved with sanctions breaches.
- To check and report without delay any sanctions breaches identified.
- To freeze assets without prior notification.

Checking Sanctions List

The Office of Financial Sanctions Implementation (“OFSI”) Consolidated List can be searched at the following webpage address:

<https://sanctionssearchapp.ofsi.hmtreasury.gov.uk/>

The United Nations Security Council (“UNSC”) Consolidated List can be searched at the following webpage address:

<https://scsanctions.un.org/search/>

The Office of Foreign Assets Control (“OFAC”) Specially Designated Nationals and Blocked Persons list can be searched at the following webpage address:

<https://sanctionssearch.ofac.treas.gov/>

European Union (“EU”) Consolidated List can be searched at the following webpage address:

https://eeas.europa.eu/headquarters/headquarters-homepage_en/8442/Consolidated%20list%20of%20sanction
[S](#)

Guidelines for Complying with Financial Sanctions: Sanctions Screening

What should you be looking for?

- Full Name Person or Entity
- Aliases
- Date of birth
- Passport Number
- National Identification numbers
- Nationality
- Place of Birth
- Address(s)
- Employment information
- Designation Number (Group ID #15212)
- Date the designated person was added to the list.
- Any other pertinent information relating to the designated person



Guidelines for Complying with Financial Sanctions: Vessel Screening

Vessel screening checks for the true identity of vessels, cargo boats, yachts and the like to ensure they are not related to designated individuals or entities. Persons engaging with maritime business must operate within the laws of the jurisdictions in which they operate or face sanctions breaches and relative sanctions penalties.

1

In addition to screening for financial assets and property, the screening for vessels is equally important. Dealing with vessels owned, controlled or operated by a designated party can lead to fines and penalties

2

Vessel screening should also be prioritized by all organizations in the industry should ensure that regular checks of a Consolidated List for sanctioned vessels is conducted as a part of the due diligence processes.

3

Vessel screening enables organizations to conduct pre-trade due diligence to gain visibility on the prospective vessels, verify information (registration etc), and conduct enhanced due diligence where necessary.

4

It is equally important for persons in the maritime sector to be aware of the potentially illicit practices used by designated persons to breach sanctions. Such as false documentation.

Guidelines for Complying with Financial Sanctions: Tourism Sector

Sanctions screening should be undertaken by all persons and businesses or sectors within Anguilla. This also includes the Tourism sector.

Each agency booking reservations for accommodations, excursions etc should conduct sanctions screening on the named individuals to mitigate the risk of sanction breaches.

The screenings should entail looking for the information described in the section “What should you be looking for?” [Click here](#)

False Positives and Negatives

1

False positives are names, entities, or transactions that are incorrectly flagged as alerts or matches by the screening system.

3

Particular attention should be placed on the development of internal measures that will address both false positives and false negatives during the screening process. This may include **fuzzy matching**.

4

Fuzzy Matching - is the use of an algorithm in your screening software that identifies similar or approximate matches even when there is misspellings, abbreviations or omissions. As an alternative use the *OFSI financial sanction search*.

2

A **false negative** is the case where a transaction is related to a designated person but was not detected during a screening.

5

In the event of a false positive or negative a Compliance Officer should conduct careful analysis to determine the legitimacy of the alert.

Freezing



Freezing

Where the financial sanction is an asset freeze, you are generally prohibited from: dealing with the frozen funds or economic resources, belonging to or owned, held or controlled by a designated person; making funds or economic resources available, directly or indirectly, to, or for the benefit of, a designated person; and engaging in actions that, directly or indirectly, circumvent the financial sanctions prohibitions.

All persons, natural and legal, within Anguilla, must immediately take action to the freezing of funds and economic resources or other assets of designated persons or entities. Persons are also prohibited from making funds, financial services or economic resources available directly or indirectly, wholly or jointly, for the benefit of designated persons or entities; entities owned or controlled, directly or indirectly, by designated persons or entities; and person and entities acting on or behalf of, or at the direction of, designated persons or entities. An asset freeze does not involve a change in ownership of the frozen funds or economic resources, nor are they confiscated or transferred to the Governor for safekeeping.

Freezing

The freezing action extends to all funds or other assets owned or controlled directly or indirectly by a designated person or entity or funds or other assets of a person who is acting on behalf of or at the direction of a designated person or entity. If you know or have 'reasonable cause to suspect that you are in possession or control of, or are otherwise dealing with, the funds or economic resources of a designated person you must take the freezing action and submit a Terrorist Property Report to the FIU, in accordance with AML/CFT laws and acting under a delegation from the Governor, unless there is an exemption in the Sanctions Orders or Counter-Terrorism(Sanctions)(Overseas Territories) Order 2020 that can be relied upon or have received a licence from the Governor.

You must keep records of potential and actual matches of designated persons and of the actions which you took in respect of the name match or target match.

Failure to adhere to the freezing requirement results in the commission of an offence.

Reasonable cause to suspect

“Reasonable cause to suspect” refers to an objective test that asks whether there were factual circumstances from which an honest and reasonable person should have inferred knowledge or formed the suspicion. In making the assessment of suspicion you may consider your knowledge of the customer or client’s business, financial history and background. Reasonable grounds or suspicion will depend on your internal compliance regime, assessment, evaluation and Customer Due Diligence (CDD) information.

Reporting



Importance of Financial Sanctions Reporting in Anguilla

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Obligation to Report

- ★ **Obligation to report** - When you know or have reasonable cause to suspect that a breach has occurred or that you are in possession of assets belonging to a designated person or entity. You are required to freeze without delay, without prior notice and file a report immediately.
- ★ “Without delay” means within a 24 hour period.
- ★ Individuals and Reporting Entities are required to report suspected designated persons or entities, frozen assets, breaches or suspected breaches to the Financial Intelligence Unit, Anguilla.
- ★ Reports should be made by way of the [Compliance Reporting Form](#) for suspected sanctions breaches. [*click the name of the document to access the form*]

Obligation to Provide Feedback

It is important for the relevant authorities to conduct supervision and monitoring of designated persons and the targeted financial sanctions regime. To do this effectively there is a need for regular feedback as to the action taken regarding the implementation of designations and the dissemination of designation notices.

Therefore, the FIU request that all persons provide feedback based on the conduct of their sanctions screening. Feedback should be provided via the prescribed [financial sanction feedback form](#) and return the same to the FIU without delay. [*Click the name of the document to access the form*]

Penalty for breaches under (Restrictive Measures) Overseas Territories Orders

Each sanction order or regulation will provide the relevant penalties for breaches for failure to comply with the restrictions and prohibitions under the sanctions order or regulation. Some of the penalties include:

A person guilty of an offence under article 4, 5, 6 or 12 is liable— (a) on conviction on indictment, to imprisonment for a term not exceeding seven years or to a fine or to both; or (b) on summary conviction, to imprisonment for a term not exceeding six months or to a fine not exceeding £5,000 or its equivalent or to both (The Iran (Restrictive Measures) (Overseas Territories) Order 2012).

A person guilty of an offence under article 7(10), paragraph 2(2)(b) or paragraph 3(6)(b) or (c) of Schedule 2, or paragraph 3(b), (c) or (d) of Schedule 6 is liable— (a) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or to both; or (b) on summary conviction, to imprisonment for a term not exceeding six months or to a fine not exceeding £5,000 or its equivalent or to both (The Eritrea and Ethiopia (United Nations Sanctions) Order 2000).

A person guilty of an offence under paragraph 3(6)(a) of Schedule 2, or paragraph 3(a) or paragraph 5 of Schedule 6 is liable on summary conviction to imprisonment for a term not exceeding six months or to a fine not exceeding £5,000 or its equivalent or to both (The Iran (Restrictive Measures) (Overseas Territories) Order 2012).

Unfreezing



Unfreezing

Once a person or entity is no longer designated, reporting entities or persons must:

- Without delay, confirm whether they have frozen assets;
- Verify that the persons/entities are no longer subject to the asset freeze;
- Remove persons/entities from their internal listing of persons subject to financial sanctions;
- Unfreeze the assets and reactive the accounts; and
- Notify persons/entities and the Governor of the unfreezing.

Delisting



Delisting - What is Delisting?

Delisting is the removal of a designated person from the Consolidated List. The designated person would no longer be subject to a financial sanction.

Delisting

- Designated persons are able to challenge their listing and request their delisting. The financial sanctions will remain in place while the challenge or request is being considered.
- Provision to challenge a delisting is made under The Counter-Terrorism (Sanctions) (Overseas Territories) Order 2020 and extends with modifications provisions of the Sanctions and Anti-Money Laundering Act 2018 -
 - a) section 22 (power to vary or revoke designation made under regulations);*
 - b) section 23 (right to request variation or revocation of designation);*
 - c) section 24 (periodic review of certain designations);*
 - d) section 38 (court review of decisions);*
 - e) section 39 (court reviews: further provision).*

Delisting - The Process

Where a delisting is made, a Financial Sanctions Notice will be issued without delay. OFSI issues a notice in respect of UN or UK listings and the AGC issues a corresponding Financial Sanctions Notice which is sent to the FSC, FIU and other stakeholders. The FSC sends out AML Alerts advising of delisting or removal from the lists. The notices and/or alerts are posted on the websites of the Government of Anguilla (GoA), FSC and FIU websites and disseminated to the financial businesses by the FSC within 24 hours, without delay.

Delisting - What to do upon notification of Delisting

On receipt of the Financial Sanction Notice advising of the removal of a person and/or entity from the Consolidated List, you must immediately –

1. Check whether you have frozen assets of any person or entity removed from the Consolidated List;
2. Verify that the person or entity is no longer subject to an asset freeze;
3. Remove the person or entity from your institution's list of person's/entities subject to financial sanction;
4. Un-freeze the assets of the person or entity and where necessary re-activate all relevant accounts;

**Example of
sanctions for
breaches**



Example 1

Raphael & Sons Bank were fined £5,000 by the OFSI for dealing with funds belonging to a designated person without a licence. The value of the transaction was only £200.

Raphael's Bank dealt with funds belonging to a designated person despite having access to their passport details, which clearly identified the individual by both name, date of birth and nationality.

The regime under which the individual was designated is one where sanctions are applied because of the misappropriation of Egyptian State funds. The bank's actions allowed the individual to utilise funds that should have been frozen. Despite the value of the transaction being £200, the breach directly contravened the policy intention of the asset freeze.

Example 2

This phone company were originally issued a £300,000 fine for indirectly facilitating international telephone calls to SyriaTel, sanctioned entity. Following a review by the minister, this was reduced.

This case illustrates that 'economic resources' can cover a wide variety of tangible and intangible resources and can be direct or indirect. It also illustrates that companies need to be able to recognise when they are in breach of the regulations and stop and take immediate action to report their activity to the OFSI.

Companies should take care to make sure they carry out appropriate financial sanctions screening and checks, and act on this information in the correct way.

Example 3

On 31 March 2020, OFSI announced that it was imposing a penalty of £20.47 million on the UK bank Standard Chartered for breaching sectoral sanctions imposed against Russia by the EU, and as a consequence the UK, since 2014. These sanctions are intended to prevent certain Russian banks and corporates, as well as certain affiliated entities, from accessing EU capital markets (including access to loans) following Russia's military intervention in Ukraine.

Standard Chartered voluntarily disclosed to OFSI that it had lent approximately £266 million to the Turkish bank Denizbank A.Ş. between April 2015 and January 2018, when Denizbank was majority owned by the Russian bank Sberbank and therefore subject to the sectoral sanctions, including restrictions on the provision of certain new loans. Standard Chartered had considered in good faith that these loans were covered by the exemption for EU trade finance. OFSI considered that the exemption was not applicable.

Record Keeping



Record Keeping

1

Entities should ensure records of screenings and analysis are kept for evidence of completion as per the AML/CFT Regulations.

2

Full and accurate records should be kept for at least 5 years

3

Records of investigations into false Positives and Negatives should be maintained for a period no shorter than 5 years

Record Keeping

Regardless of whether a prospective match to names and sanctions lists is a **true match** or a **false positive**, you are responsible for **maintaining records** for a period of **five years** in accordance with your AML/CFT obligations. This includes but is not limited to:

- Evidence of your screening process and all screenings conducted;
- All information or other factors (i.e., customer activities and transactions) that led to the match;
- any follow-up checks or inquiries;
- the applicable Sanctions Regime;
- the person(s) concerned, including any members of compliance or senior management who authorized treatment of the match as a false positive;
- the nature of your relationship with the person or organization concerned, including any transactions that were attempted or refused;
- the next steps taken (such as freezing accounts);
- whether you consulted with, or filed a report with, the Financial Intelligence Unit; and the results of your reporting (such as whether an investigation was carried out, whether a license authorized by the Governor was issued and in what capacity, etc.).

Exemptions



Exemptions

An exemption to a prohibition applies automatically in certain defined circumstances.

Some permitted payments;

- Any interest or earnings on the account; and/or
- Any payments due to a designated person or entity under contracts, agreement or obligations that were concluded or arose before the date the person or entity became sanctioned.

Licensing



Licensing

A licence is a written authorization from the Governor permitting an act otherwise prohibited under the sanctions.

Grounds for licensing may include:

- Basic needs; (food, rent or mortgage, medicine or medical treatment)
- Legal fees and disbursements;
- Fees or service charges for routine holding or maintenance of frozen funds or other assets;
- Satisfaction of prior contractual obligations; and/or
- Extraordinary expenses.

Licence for the release of funds

A person or entity must provide evidence to support an application for a license to release funds and is required to provide the following:

- Licensing ground(s) being relied upon including supporting arguments;
- Full information of parties involved in the proposed transaction (e.g. designated persons/entities/financial institutions);
- Ultimate beneficiary of the transaction;
- Complete payment route including account details; and
- Amount (or estimation) of the proposed transaction.

The [licencing application form](#) can be accessed from the FIU's website. [*Click the name of the document to access the form*]

Offences



Offences

Depending on whether the offending act is against a requirement in the Sanctions Orders or the Counter-Terrorism (Sanctions) (Overseas Territories) Order 2020, you will commit an offence if you -

- deal with funds or economic resources belonging to, or owned, held or controlled by, a designated person;
- make funds and economic resources available to or for the use or benefit of designated persons;
- fail to comply with reporting obligations;
- intentionally participate in an activity, knowing it was designed to circumvent the freezing obligations or to enable or facilitate the contravention of any of those obligations;
- without reasonable excuse, refuse or fail within the time and in the manner specified (or, if no time has been specified, within a reasonable time) to comply with any request made for information; or
- knowingly or recklessly give any information, or produce any document, which is false in any material particular in response to such a request.

Documents



Link to documents

Guidelines and Licence Application Form

<http://www.gov.ai/documents/Anguilla%20FS%20Guidelines.pdf>

<http://fsc.org.ai/documents/Publications/Industry%20Updates/Anguilla%20FS%20Guidelines.pdf>

https://drive.google.com/file/d/1hH_aEKQHsF6sORBKKrhOEjKZWVceZGhG/view?usp=share_link

Financial Sanctions – A guide to understanding and complying with financial sanctions

https://drive.google.com/file/d/1ZKFOUPC06VqtIUKEUafZjlql8hBvfK9z/view?usp=share_link

Key Takeaways



Key Takeaways

- ★ Financial Sanctions are a key mechanisms used by countries to influence a change in behavior and may take the form of trade sanctions, restriction on financial services, asset freezes and travel bans.
- ★ All persons are obligated to make report of a financial sanctions breach as long as you know or have reasonable cause to suspect that you are in contact with is a designated persons or entity.
- ★ Ensure that you have appropriate manual or automated mechanisms in place to conduct sanction screenings at onboarding and on your entire database. Ensure that you are using an updated consolidated sanction list.
- ★ Ensure there are appropriate mechanisms to account for false positives and negatives. Know your recourse actions.

Key Takeaways (cont'd)

- ★ As long as you are operating within a jurisdiction you must understand and align your policies and processes to the jurisdiction's laws to avoid penalties and fines.
- ★ Understand your obligation to maintain sanction databases, screen all persons, freeze where necessary and report breaches to the FIU.
- ★ Contact the FIU to seek advice and report matches and or breaches to avoid sanctions violations.
- ★ Keep abreast with changes and updates to legislation.

Key Takeaways

- ★ Financial Sanctions are a key mechanism used by countries to influence a change in behavior and may take the form of trade sanctions, restriction on financial services and travel bans.
- ★ It is important to understand the role of the competent authorities responsible for financial sanctions
- ★ Gain an understanding of how to comply with obligations in managing financial sanctions
- ★ Understand the concept of sanctions screening and steps to be taken to comply with sanctions
- ★ Seek advice and report matches and or breaches to the reporting authority to avoid sanctions violations.

Other Key Information

- ★ The jurisdiction is presently undertaking the passage of two new legislation that will address the Financial Sanctions regime for Anguilla, this will include the designation of powers to implement designation and to make designation as well as the obligations of reporting entities, the monitoring and supervision of those obligations.
- ★ The two (2) bills will likely be passed during the month of June 2023.
- ★ The two (2) bills will be the Counter-Terrorism Act, 2023 Bill and the Proliferation Financing Act, 2023 Bill.
- ★ Further discussion and seminars will be conducted once the two legislations are passed to provide information on obligations.

Further details

Further details relative to financial sanctions can be accessed from the dedicated financial sanctions webpage on the FIU Website. Click [here](#) to access.

Test

This test is designed to measure your knowledge of the material presented. All questions must be completed.

Let's see what you've learned so far.

Note you must pass this test (with 80% or more) to earn your **course certificate** and complete this module!

[Click here to complete your test](#)

THANK YOU



