

**13 JANUARY 2023**

**ERICSSON SETS ASIDE \$220 MILLION PROVISION FOR POTENTIAL RESOLUTION OF US DoJ PROBE**

On 12 January, Market Watch reported that Ericsson entered a deferred prosecution agreement with the DOJ in 2019 to resolve a past probe into alleged corruption in China, Vietnam and Djibouti. However, the DoJ claimed the company later failed to make adequate disclosures over the discovery of suspicious payments in Iraq ahead of entering the deferred prosecution agreement.

<https://www.marketwatch.com/story/ericsson-books-220-mln-provision-for-potential-resolution-of-us-justice-department-probe-271673530544>

**THE US BUREAU OF INDUSTRY AND SECURITY ENFORCEMENT OFFICE THAT INVESTIGATES EXPORT VIOLATIONS COULD HAVE BETTER OVERSIGHT POLICIES AND PROCEDURES**

On 12 January, Government Executive reported that the Office of Export Enforcement at BIS in the Department of Commerce criticised in an Inspector General's report over lack of oversight and for deviations from the standard practices that were not formalised as policy. The IG issued 7 recommendations for reform and while the Bureau did not state if it agreed with the findings, it outlined planned or completed actions to address them.

<https://www.govexec.com/oversight/2023/01/commerce-dept-needs-better-oversight-its-law-enforcement-unit-ig-found/381771/>

**NEW BVI RESTORATION REGIME**

On 11 January, a briefing from Carey Olsen was concerned with the implementation of the British Virgin Islands Business Companies Act amendments which came into force on 1 January. The article focuses on the new procedure for the restoration of dissolved BVI companies and how it will impact clients in the People's Republic of China and elsewhere in Asia.

<https://www.careyolsen.com/briefings/new-year-new-bvi-restoration-regime>

**US: DOJ ATTEMPTS TO SEIZE MONEY AND PROPERTY FROM CHURCH ACCUSED OF MULTIMILLION-DOLLAR SCHEME TARGETING VETERANS**

On 12 January, Military.com reported that the DoJ is trying to seize money and property from a church group some former members describe as a cult that preyed on soldiers and veterans by bilking them out of millions of dollars of benefits. 5 of House of Prayer's churches were raided by the FBI in June; all of the locations were near Army bases. Former members of the church say that much of the cash ended up supporting a lavish lifestyle for the church's leader.

<https://www.military.com/daily-news/2023/01/12/feds-try-seize-money-property-church-accused-of-multimillion-dollar-scheme-targeting-vets.html>

### **5 UK INDUSTRY BODIES HAVE FORMED AN ALLIANCE TO HELP GUIDE THE NATION'S DIGITAL CURRENCY FUTURE**

On 11 January, Finextra reported that the City of London Corporation, Digital Pound Foundation, The Payments Association, TheCityUK and UK Finance say their aim is to develop better policies, practice and regulation around digital currencies.

<https://www.finextra.com/newsarticle/41583/uk-associations-form-crypto-industry-body>

### **WHITE HOUSE PLANS TO NARROW EXECUTIVE ORDER ON CHINA INVESTMENTS**

On 12 January, Axios claimed that the Biden administration is leaning toward making its Executive Order on US investments in China more focused and targeted than some of the earlier suggestions. It says that it appears that the EO will focus more on quantum computing, artificial intelligence and semiconductors and not include biotechnology or battery technology.

<https://www.axios.com/2023/01/12/white-house-biden-china-executive-order-cfius>

### **'LARGEST OPIUM SEIZURE IN HISTORY': DUBAI POLICE HELP CANADA**

On 13 January, the Khaleej Times reported that nearly 2,500 kg of opium were seized in a massive drug bust in British Columbia. The Dubai police force informed Canadian authorities that 19 shipping containers suspected to contain narcotic substances were headed their way.

<https://www.khaleejtimes.com/uae/largest-opium-seizure-in-history-dubai-police-help-canada-foil-dh138-million-drug-smuggling-attem>

### **TAKEDOWN OF FRAUDULENT CRYPTOCURRENCY NETWORK IN BULGARIA, CYPRUS AND SERBIA**

On 12 January, a news release from Eurojust advised that coordinated action has led to the dismantling of a cryptocurrency fraud network operating from Bulgaria, Cyprus and Serbia. The network operated professionally to set up call centres, which defrauded numerous victims in Germany, Switzerland, Austria, Australia and Canada for at least tens of millions of euros.

<https://www.eurojust.europa.eu/news/takedown-fraudulent-cryptocurrency-network-bulgaria-cyprus-and-serbia>

<https://www.infosecurity-magazine.com/news/police-bust-multimilliondollar/>

<https://www.europol.europa.eu/media-press/newsroom/news/call-centres-selling-fake-crypto-taken-down-in-bulgaria-serbia-and-cyprus>

### **RUSSIA'S IRANIAN-MADE UAV: A TECHNICAL PROFILE**

On 13 January, RUSI published a Commentary providing a detailed profile of UAV such as the Shahed 136.

<https://rusi.org/explore-our-research/publications/commentary/russias-iranian-made-uavs-technical-profile>

### **US OFFERS \$10 MILLION FOR INFORMATION ON HEZBOLLAH FINANCIERS IN GUINEA**

On 12 January, OCCRP reported that the US is offering up to \$10 million for information on Hezbollah's financial networks in the West African country of Guinea associated with the activities of 2 local tycoons of Lebanese origin who were sanctioned by US Treasury in March - Ibrahim Taher and Ali Saade. It notes that Saade allegedly held the post of Honorary Consul of Lebanon in Ivory Coast and Taher was Honorary Consul of Lebanon in Guinea, which was to allow them to travel in and out of the country with minimal scrutiny.

<https://www.occrp.org/en/daily/17233-u-s-offers-10-million-for-information-on-hezbollah-financiers-in-guinea>

### **PUTIN SET TO WITHDRAW RUSSIA FROM EUROPE'S ANTI-CORRUPTION CONVENTION**

On 12 January, OCCRP reported on a Russian draft law that would see Russia withdraw from the Criminal Law Convention on Corruption (CLCC), a European body dedicated to criminalising corrupt practices within its member states.

<https://www.occrp.org/en/daily/17231-putin-set-to-withdraw-russia-from-europe-s-anti-corruption-convention>

### **FORMER PREMIER LEAGUE STAR JAILED FOR £15 MILLION INVESTMENT FRAUD**

On 12 January, a news release from the CPS advised that Richard Rufus, 47, was jailed for defrauding friends, family members and associates out of £15 million. The former the Charlton Athletic defendant claimed he was a successful foreign exchange trader and used this to convince victims to invest in his 'low-risk' scheme with promises of returns of 60% a year.

<https://www.cps.gov.uk/cps/news/sentence-update-former-premier-league-star-jailed-ps15-million-investment-fraud>

## **EXPERT GUIDE TO GAMBLING LAWS IN EASTERN EUROPE**

On 20 December, CMS Law published an Expert Guide which focuses on the key aspects of gambling laws and regulations in Bulgaria, the Czech Republic, Hungary, Poland, Romania, Slovakia, Turkey and Ukraine.

<https://cms.law/en/int/expert-guides/cms-expert-guide-to-gambling-laws-in-cee>

## **HOW IMPORTANT IS PERU'S PORT OF CALLAO FOR COCAINE TRADE?**

On 12 January, an article from Insight Crime poses this question, saying that despite not getting the same attention as major ports in Ecuador or Brazil, Peru's port of Callao, near the capital Lima, has remained a crucial launchpad for cocaine heading for international markets.

<https://insightcrime.org/news/how-important-port-callao-peru-cocaine-trade/>

## **CJEU ASKED TO DEFINE SCOPE OF GDPR 'LEGITIMATE INTERESTS'**

On 12 January, an article from Out-Law said that whether, and in what circumstances, organisations can cite commercial interests as a justification for processing personal data under EU data protection law could be clarified by the EU's highest court. It has been asked to rule on whether a purely commercial interest can be regarded as a 'legitimate interest' for the purposes of the GDPR and, if so, to outline the circumstances which will determine that.

<https://www.pinsentmasons.com/out-law/news/cjeu-define-scope-gdpr-legitimate-interests>

## **STEPPING UP THE EU'S EFFORTS TO TACKLE CORRUPTION: ANALYSIS OF THE POTENTIAL GAINS FROM FURTHER EU ACTION TO TACKLE CORRUPTION**

On 13 January, a briefing paper from the EU Parliament Research Service presents a quantitative analysis of the potential gains from further EU action to tackle corruption, estimating that it could generate up to €58.5 billion per year. Other gains could also be expected in terms of reinforcing democracy and promoting international credibility and long-term growth.

[https://www.europarl.europa.eu/RegData/etudes/STUD/2023/734687/EPRS\\_STU\(2023\)734687\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2023/734687/EPRS_STU(2023)734687_EN.pdf)

## **FRAUD IS THE BIGGEST THREAT TO SHIPPING CARGO LOSSES**

On 13 January, an article from Hellenic Shipping News warns of risks from payment fraud that involves existing mandates and impersonation of executives to procurement fraud featuring false invoicing. It says that carrier fraud, in which criminals imitate hauliers and other sub-contractors,

including drivers with falsified documents, accounted for 84% of TT claims involving fraud or deception in 2022.

<https://www.hellenicshippingnews.com/fraud-is-the-biggest-threat-to-cargo-losses/>

#### **HEAD OF VIETNAM'S VEHICLE REGISTRATION AGENCY ARRESTED ON BRIBERY CHARGES**

On 11 January, RFA reported that police had arrested the head of the Vietnamese agency responsible for registering cars, trains, ships and other industrial products on charges of taking bribes.

<https://www.rfa.org/english/news/vietnam/motbribery-01112023191843.html>

#### **GERMANY: HSBC SECRETIVE LOAN TO COMPANY BULLDOZING VILLAGE**

On 11 January, an article from the Bureau of Investigative Journalism said that HSBC made a secretive multimillion-dollar loan to an energy company that is bulldozing a village in western Germany to expand a huge coal mine, just 3 months after the bank pledged to stop funding coal. It is said that the bank approved the \$340 million deal with energy giant RWE after internal discussions in which senior figures at the bank recommended that its involvement should not be publicised.

<https://www.thebureauinvestigates.com/stories/2023-01-11/hsbcs-loan-to-a-german-dirty-coal-giant>

#### **UNFOLDING MATCH-FIXING INVESTIGATIONS**

On 11 January, the Boxscore website reported on an INTERPOL bi-weekly "Integrity in Sport" report which monitors major developments in corruption in sport around the world. The cases covered include allegations about football in Portugal, cricket in Nepal and snooker.

<https://boxscorenews.com/interpol-unfolding-match-fixing-investigations-from-portugal-football-ne-p167636-199.htm>

#### **THAILAND: BANKS PREPARE NEW CENTRAL FRAUD REGISTRY**

On 12 January, the Bangkok Post reported that the Thai Bankers' Association (TBA) is working to set up the Central Fraud Registry to probe financial fraud in the banking industry.

<https://www.bangkokpost.com/business/2480672/banks-prepare-new-central-fraud-registry>

## **JERSEY: NEW NOTICE ON SENIOR MANAGERS IN A REGISTERED BUSINESS THAT WILL FALL WITHIN THE SCOPE OF THE FSC CIVIL FINANCIAL PENALTIES REGIME**

On 12 January, the Jersey FSC advised that, following the end of consultation, a new Notice designating what constitutes a “senior management function” comes into effect on 13 March.

<https://www.jerseyfsc.org/news-and-events/notice-designating-senior-management-functions-published/>

## **ISLE OF MAN NEW TASKFORCE: THE PRO-ACTIVE INTERNATIONAL MONEY LAUNDERING INVESTIGATION TEAM (PIMLIT)**

On 13 January, Isle of Man Today reported that the police are now taking applications for jobs in a new taskforce designed to tackle financial crime. The PIMLIT will be made up of 21 people including management, legal support, administrative support and other positions.

<https://www.iomtoday.co.im/news/999/police-are-looking-for-people-to-join-financial-crime-team-587925>

## **HOW CHINA FUNDS FOREIGN INFLUENCE CAMPAIGNS**

On 12 January, a post on Medium says that a review of financial records for Chinese Communist Party (CCP) organisations with foreign influence capabilities reveals that funding for propaganda activities in China is largely project-based, with most of the financing comes from public funds. It says that the examination of the financial statements of 4 organisations found considerable funding for foreign influence projects across a range of avenues. Direct Chinese disinformation projects aim to spread anti-Western narratives. Simultaneously, soft power TV shows and exhibitions showcase a lovable China as a place to visit and invest in. Spending on these projects is expected to increase in the following years as China develops its economy and continues to seek greater international status.

<https://medium.com/dfrlab/how-china-funds-foreign-influence-campaigns-72d547ad0771>

## **BANGLADESH UPDATE – INCLUDING A BAN ON RUSSIAN-OWNED SHIPS**

On 13 January, Loadstar published a “Letter from Bangladesh”, saying that air freight forwarders are in a dilemma over the exchange rate of the US dollar against the local currency. It also reports that Bangladesh’s shipping ministry has banned 69 Russian ships from the country. They are owned by 7 Russian groups or entities and are facing US sanctions, and recently the US forwarded the list of the 69 ships to Bangladesh and requested it not to let any of them enter its waters.

<https://theloadstar.com/letter-from-bangladesh-forex-dilemmas-bigger-ships-and-banned-ships/>

### **FinCEN ISSUES ALERT ON HUMAN SMUGGLING ALONG THE SOUTHWEST BORDER OF THE US**

On 13 January, an Alert from FinCEN has issued an Alert to better support financial institutions in detecting financial activity related to human smuggling along the southwest border of the US. The Alert provides trends, typologies, and red flag indicators to help financial institutions better identify and report suspicious transactions potentially related to such activity.

<https://www.fincen.gov/news/news-releases/fincen-issues-alert-human-smuggling-along-southwest-border-united-states>

### **JAMAICA PROBES FRAUD ALLEGATIONS AT PRIVATE INVESTMENT FIRM USED BY USAIN BOLT**

On 13 January, the Daily Mail reported that financial authorities in Jamaica said they are investigating allegations of fraud at Stocks & Securities Ltd, a private wealth management company based in Kingston. Its clients are said to include Usain Bolt, whose manager was quoted as saying that Bolt has invested with the company for more than a decade and that his entire portfolio is being reviewed after he noticed discrepancies in his account.

<https://www.dailymail.co.uk/wires/ap/article-11633275/Jamaica-probes-fraud-allegations-private-investment-firm.html>

### **IN SEARCH OF RUSSIA'S FOREIGN ASSETS**

On 10 January, a post from VOX, from the Centre for Economic Policy Research, estimates that during the first half of 2022, the Russian private sector accumulated approximately \$100 billion in foreign assets. Up to June 2022, the largest part of these funds was located in sanctioning jurisdictions – evidence of the difficulty in finding alternatives to the Western financial system. The authors also identify a smaller, but non-negligible share of funds in other jurisdictions.

<https://cepr.org/voxeu/columns/search-russias-foreign-assets>

### ***TURKIYE HALK BANKASI AS v. UNITED STATES: PART 1***

On 13 January, Lawfare published the first post saying that, on 17 January, the US Supreme Court will hear a case that raises the question whether the US Government can criminally prosecute corporations owned by foreign states. This first post lays out the background of the case and assesses the proper interpretation of the Foreign Sovereign Immunities Act as it applies to criminal prosecutions. The second article will discuss how federal courts should address the question of foreign sovereign immunity in criminal cases if, as the government argues, foreign sovereigns and their instrumentalities lack immunity under federal statutory law.

<https://www.lawfareblog.com/turkiye-halk-bankasi-v-united-states-part-1-fsia-and-criminal-prosecutions>

<https://www.buymeacoffee.com/KoIvM842y>

