

10 March 2023

SFO DROPS CRIMINAL PROSECUTION OF 3 FORMER EXECUTIVES AT SECURITY COMPANY G4S FOR ALLEGEDLY DEFRAUDING THE BRITISH GOVERNMENT OVER AN ELECTRONIC TAGGING CONTRACT

On 10 March, MSN reported that the executives of G4S Care and Justice Services, which had a contract to electronically monitor criminal defendants and released prisoners, had been charged with 7 counts of fraud by false representation between 2009 and 2012. In 2020, the SFO reached a deferred prosecution agreement (DPA) with G4S Care and Justice Services, agreed to pay a fine of £38.5 million and the SFO's legal costs of almost £6 million; also paying £121 million to the Ministry of Justice in 2014 to settle civil claims in relation to the provision of tagging services.

<https://www.msn.com/en-gb/news/uknews/uk-s-fo-drops-prosecution-of-three-former-g4s-executives/ar-AA18sgZT>

SFO CRITICISED FOR WASTING TAXPAYER MILLIONS ON 10-YEAR FRAUD PROBE INTO TAGGING FIRM G4S AS CHARGES AGAINST 3 EXECUTIVES ARE DROPPED

<https://www.dailymail.co.uk/news/article-11844523/Serious-Fraud-Office-blasted-wasting-taxpayer-millions-10-year-fraud-probe-G4S.html>

US: TAX AVOIDANCE VS. TAX EVASION

On 8 March, an article from Frost Brown Todd LLP started by saying that most CPA and lawyers do not know the difference between conduct that is tax avoidance versus conduct that is criminal tax evasion.

<https://frostbrowntodd.com/tax-avoidance-vs-tax-evasion/#page=1>

A GUIDE TO STARTING A MARITIME CARGO SHIPPING BUSINESS

On 28 February, an article from Harris Bricken was intended to be a step-by-step guide to starting a maritime cargo shipping operations business.

<https://harrisbricken.com/blog/a-guide-to-starting-a-maritime-cargo-shipping-business/>

UK: FORTHCOMING INCREASED AML/CFT COMPLIANCE OBLIGATIONS BEING PLACED ON THE REGULATED SECTOR

On 9 March, an article from Rahman Ravelli outlines forthcoming increased compliance obligations being placed on the regulated sector. It says that changes are set to create more compliance requirements on a range of regulated companies. Such companies need to be aware of both the changes that are being introduced and their implications.

<https://www.rahmanravelli.co.uk/articles/money-laundering-regulation-changes/>

THE REGISTER OF OVERSEAS ENTITIES - WHAT TO DO WHEN DEALING WITH OVERSEAS ENTITIES THAT HOLD UK LAND

On 8 March, an article from Brodie LLP says that media reports and analyses of the ROE suggest that at least 19000 out of a total of 32,440 overseas entities have not yet registered, meaning that those overseas entities cannot dispose of or grant security over that UK property. The article looks at the consequences of failure to register in the Register and what you need to consider if you are dealing with overseas entities that are acquiring UK property or that own or have long leases of UK property acquired after 8 December 2014 in Scotland or 1 January 1999 in England and Wales.

<https://brodies.com/insights/corporate/the-register-of-overseas-entities-what-to-do-when-dealing-with-overseas-entities-that-hold-uk-land/>

EU AND UK DEVELOP STRATEGIC PARTNERSHIPS WITH CANADA ON CRITICAL RAW MATERIALS

On 7 March, an article from Hogan Lovells says that critical raw materials, such as rare earths, lithium and cobalt, are essential to the energy transition and to modern and green technologies. As countries compete to secure these materials, there is an increasing importance to ensure the development of secure, sustainable, and resilient supply chains. The article explores some recent key partnerships developed by the EU and the UK with Canada.

<https://www.engage.hoganlovells.com/knowledgeservices/news/the-european-union-and-the-united-kingdom-develop-strategic-partnerships-with-canada-on-critical-raw-materials>

UN BUYS VLCC TO TRANSFER OIL FROM DECAYING YEMEN STORAGE TANKER

On 10 March, Seatrade Maritime News reported that the UN Development Programme (UNDP) is acquiring a very large crude carrier (VLCC) to transfer oil from an abandoned floating storage and offloading (FSO) vessel off the coast of Yemen that threatens environmental disaster.

<https://www.seatrade-maritime.com/tankers/un-buys-euronav-vlcc-transfer-oil-decaying-yemen-storage-tanker>

[https://lloydlist.maritimeintelligence.informa.com/LL1144259/UN-spends-\\$55m-on-ageing-Euronav-VLCC-to-avert-environmental-disaster](https://lloydlist.maritimeintelligence.informa.com/LL1144259/UN-spends-$55m-on-ageing-Euronav-VLCC-to-avert-environmental-disaster)

INDIA: AMAZON PAY FINED AROUND \$375,000 FOR NON-COMPLIANCE WITH PRE-PAID PAYMENT INSTRUMENTS AND KYC RULES

On 3 March, Finextra reported that the Reserve Bank of India says it imposed the penalty "based on deficiencies in regulatory compliance".

<https://www.finextra.com/newsarticle/41910/rbi-fines-amazon-pay-over-kyc-non-compliance>

CANADA: SANCTIONS ON 12 SENIOR IRANIAN OFFICIALS FROM THE ISLAMIC REVOLUTIONARY GUARD CORPS (IRGC) AND LAW ENFORCEMENT FORCES (LEF) WHO ARE SAID TO HAVE PARTICIPATED IN GROSS VIOLATIONS OF HUMAN RIGHTS IN IRAN

On 10 March, the EU Sanctions blog reported that, on 22 February, Canada added additional names to its sanctions lists.

<https://www.europeansanctions.com/2023/03/canada-designates-12-iranian-officials-for-gross-human-rights-violations/>

FORMER GOLDMAN SACHS BANKER SENTENCED TO 10 YEARS IN PRISON FOR 1MDB SCANDAL

On 9 March, the Wall Street Journal reported that a former Goldman Sachs Group Inc. banker was sentenced to 10 years in prison for helping to loot billions of dollars from a Malaysian sovereign-wealth fund in a global financial scandal that tarnished the Wall Street bank. Roger Ng, is a 51-year-old Malaysian national, and was convicted last year in a New York federal court.

<https://www.wsj.com/articles/former-goldman-sachs-banker-to-be-sentenced-for-1mdb-scandal-e979ab8>

JAPAN HAS NOT YET IMPOSED EXPORT RESTRICTIONS ON THE SUPPLY OF CHIP MANUFACTURING EQUIPMENT

On 9 March. Tech News Space reported that, in late January, it was reported that the Japanese authorities had expressed their agreement in principle to join the restrictions imposed by the US and the Netherlands to curb China's semiconductor industry. It is said that Japan's largest supplier of lithography equipment is 26% dependent on the Chinese market, and all local companies combined until recently generated up to a third of all revenue from equipment sales to Chinese customers.

<https://technewsspace.com/japan-has-not-yet-imposed-export-restrictions-on-the-supply-of-chip-manufacturing-equipment/>

SINGAPORE: MAS ISSUES NEW CIRCULAR ON ENHANCING AML/CFT CONTROLS IN THE WEALTH MANAGEMENT SECTOR

Comply Advantage reported that, on 3 March, MAS issued a new circular which urges financial institutions to stay vigilant and implement robust risk controls to ensure the wealth management funds that flow into Singapore are legitimate. It highlights 3 pillars of an effective AML/CFT program for wealth management firms.

<https://complyadvantage.com/insights/mas-issues-new-circular-on-enhancing-aml-ctf-controls-in-the-wealth-management-sector/>

BOSNIA AND HERZEGOVINA: NEW REPORT ON ANTI-CORRUPTION MEASURES NEEDED FOR TOP EXECUTIVES AND LAW ENFORCEMENT AGENCIES

On 9 March, the Council of Europe issued a news release saying that a new report from its Group of States against Corruption (GRECO) calls on the authorities to strengthen their efforts and overcome the political blockages that hold back certain reforms from taking place in order to prevent corruption amongst those with top executive functions (members of the Presidency and their Heads of Office and advisers, the Chair of the Council of Ministers, Ministers, Deputy Ministers and their Heads of Office and advisers) and members of the Border Police and State Investigation and Protection Agency (SIPA).

<https://www.coe.int/en/web/portal/-/bosnia-and-herzegovina-new-report-on-anti-corruption-measures-needed-for-top-executives-and-law-enforcement-agencies>

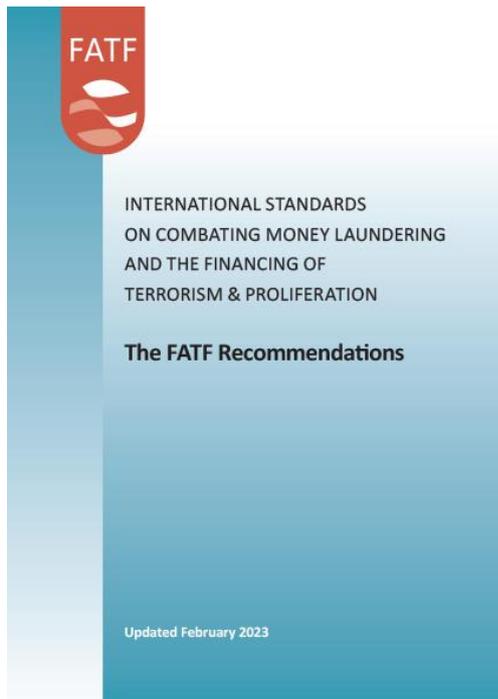
OUTGOING PRESIDENT OF MICRONESIA ACCUSES CHINA OF BRIBERY, THREATS AND INTERFERENCE

On 10 March, the Guardian reported that the President alleged that China is engaged in “political warfare” in the Pacific, accusing Chinese officials of bribing elected officials in Micronesia, and even “direct threats against my personal safety”, and that its goal in interfering in the Federated States of Micronesia (FSM) was to render the country neutral in any potential Pacific war.

<https://www.theguardian.com/world/2023/mar/10/outgoing-president-of-micronesia-accuses-china-of-bribery-threats-and-interference>

FATF RECOMMENDATIONS: UPDATED

The FATF Recommendations were updated in February, and on 9 March FATF issued the updated Recommendations. The guidance includes the Recommendations themselves and their Interpretive Notes, together with the applicable definitions in the Glossary.



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

SOUTH CHINA SEA: HUNT FOR OIL AND GAS INCREASES RISK OF FLASHPOINTS

On 10 March, an article in Eurasia Review says that a new report says that almost all the claimants in the South China Sea are moving forward with new oil and gas exploration projects this year, heightening the risk of confrontations and even clashes in disputed waters. It is said that many of the new exploration projects are inside the so-called nine-dash line used by China to delineate its claims in the sea. Brunei, China, Malaysia, the Philippines, Taiwan and Vietnam all hold overlapping claims with China over parts of the South China Sea.

<https://www.eurasiareview.com/10032023-south-china-sea-hunt-for-oil-and-gas-increases-risk-of-flashpoints-analysis/>

PARALLEL IMPORTS OF MEDICINES – CJEU CLARIFIES WHEN REPACKAGING IS ALLOWED

On 10 March, CMS Law reported that the Court of Justice of the European Union (CJEU) recently handed down 4 keenly awaited judgments that provide welcome guidance on the debated issue of repackaging of medicinal products by parallel importers within the internal market.

<https://cms-lawnow.com/en/ealerts/2023/03/parallel-imports-of-medicines-cjeu-clarifies-when-repackaging-is-allowed>

TRANSPARENCY v PRIVACY: THE EU COURT'S BENEFICIAL OWNERSHIP REGISTER DECISION

On 10 March, an article from Control Risks reminds one that, on 22 November, EU Member States encountered a significant setback in their efforts for increased transparency. The CJEU ruled to limit general public access to beneficial ownership information on grounds that it conflicted with data protection and privacy rights outlined in the Charter of Fundamental Rights of the EU. The article explores this ruling, the impact on both enforcement and preventative due diligence and investigative efforts for obliged and regulated organisations – particularly investors, regulated corporates and financial institutions – and the necessary considerations in any future alternative legislation on the matter.

<https://www.controlrisks.com/our-thinking/insights/transparency-vs-privacy-the-cjeu-beneficial-ownership-ruling>

UN SANCTIONS COMMITTEE REMOVES 2 ENTRIES FROM ITS IRAQ SANCTIONS LIST

On 9 March, the UN advised that the relevant Sanctions Committee had removed AYAD FUTAYYIH KHALIFA AL-RAWI and HUMAM ABD-AL-KHALIQ ABD-AL-GHAFUR from its UN SCR 1518 sanctions list.

<https://press.un.org/en/2023/sc15224.doc.htm>

UK CONFIRMS REMOVALS OF 2 NAMES FROM IRAQ SANCTIONS LIST

On 10 March, a Notice from HM Treasury advised that, following the UN decision, the 2 names have also been removed from the UK Consolidated List.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1141688/Notice_Iraq_100323.pdf

SOUTH KOREAN POLICE FORM NEW CRYPTO SCAM-FIGHTING CYBERCRIME TASKFORCE

On 7 March, Cryptonews reported that one of the new taskforce's "three main tasks" will be dismantling and fighting crypto scams. Crypto-related fraud is on the rise in South Korea, with several high-profile scams galvanising the public of late.

<https://cryptonews.com/news/south-korean-police-form-new-crypto-scam-fighting-cybercrime-taskforce.htm>

IRISH REVENUE SEIZE APPROXIMATELY €1,780,000 IN CASH AT DUBLIN AIRPORT

On 10 March, a news release from the Revenue Commissioners advised that the cash was discovered as a result of routine profiling when Revenue officers stopped and searched a Taiwanese

passenger who had disembarked a flight from London Gatwick. It was comprised of Euro, Sterling and US dollars in varying denominations.

<https://www.revenue.ie/en/corporate/press-office/press-releases/2023/pr-030923-cash-dublin.aspx>

ALMOST £780,000 OF 'BRIBE MONEY' PLACED IN JERSEY TRUST TO BE RETURNED TO MOZAMBIQUE

On 8 March, the Jersey Evening Post reported that almost £780,000 placed in a Jersey trust is due to be forfeited after the Royal Court found that the money had been obtained through deception and bribery in Mozambique. The Court found that the funds had been placed there by a former civil servant from Mozambique who had received corrupt payments.

<https://jerseyeveningpost.com/news/2023/03/08/almost-780000-of-bribe-money-placed-in-jersey-trust-to-be-returned-to-mozambique/>

LITHUANIA SEIZES LUKOIL PRODUCT SHIPMENTS THAT TRIED TO BYPASS SANCTIONS

On 8 March, LRT reported that Lithuania had seized over 30 wagons of sanctioned products by Russia's Lukoil and returned them back to Belarus. 3 more wagons are detained at the border. 2 shipments from Latvia had also been detained, the detained shipments included petroleum products, chip, fertilisers, seeds, wood, pellets and other groups of sanctioned goods.

<https://www.lrt.lt/en/news-in-english/19/1931952/lithuania-seizes-lukoil-product-shipments-that-trying-to-bypass-sanctions>

FRANCE: UPDATED FINANCIAL CRIME DASHBOARD

On 2 March, Financial Crime News reported that, following the publication France's AML/CFT National Risk Assessment in February 2023, Financial Crime News has updated its Dashboard. It says that France is rated 42/100 moderate Threats, 65/100, moderate to high response & 54/100 moderate overall risk, using the FCN Methodology. This is the overall equal 23rd best risk score of 39 FATF Member Countries (including UAE and Indonesia). 3 years on from the last NRA published in 2019, the threats haven't changed.

<https://thefinancialcrimenews.com/france-financial-crime-dashboard-2023-update-by-fcn/>

THE IMPACT OF THE BLACK SEA GRAIN INITIATIVE

The UN Conference on Trade & Development has published this report, saying that, in July 2022, 2 agreements were signed: one is the MoU between the UN and the Russian Federation to facilitate the unimpeded access for their food and fertilisers exports to global markets. The second is the Black Sea Grain Initiative (BSGI), signed by the Russian Federation, Türkiye, Ukraine, and witnessed by the UN to allow the safe export of grain, fertilisers and other foodstuff from Ukrainian ports in the Black Sea. These agreements have helped to bring down the cost of food, stabilise global markets and keep them open. However, this progress is fragile and price pressures remain. The report concentrates on showing the benefits of one of the agreements, the Black Sea Grain Initiative, and its contribution to ease market pressures and avert the worst impacts of the food crisis. Among other things, it notes that, since the signing of the Initiative, ship departures from Ukrainian ports have shown a marked increase. However, despite the Initiative's efforts, there is still more to be done to restore ship departures from Ukraine to 2021 levels.



Ship departures rose with the Initiative, but remain below 2021 levels



Number of port calls by week in Ukraine



Source: UNCTAD secretariat, based on data provided by Sea/ (www.sea.live). • [Get the data](#) • [Download image](#)

<https://unctad.org/publication/trade-hope-impact-black-sea-grain-initiative>

Meanwhile –

UKRAINE BEGINS TALKS WITH UN AND TURKIYE ON EXTENDING BLACK SEA GRAIN DEAL

On 9 March, Insurance Marine News reported that Ukraine has started online talks with its partners with a view to extending the Black Sea Grain Initiative, which is scheduled to expire this month after a 4-month extension was agreed in November.

<https://insurancemarineneews.com/insurance-marine-news/ukraine-begins-talks-with-un-and-turkiye-on-extending-black-sea-grain-deal/>

UK P+I CIRCULARS: NEW EU AND US SANCTIONS

On 9 March, the UK P+I Club issued 2 new Circulars explaining the impact of the new sanctions on the shipping sector.

<https://www.ukpandi.com/news-and-resources/circulars/2023/circular-03-23-eu-adopts-10th-package-of-sanctions-against-russia/>

<https://www.ukpandi.com/news-and-resources/circulars/2023/circular-04-23-us-impose-further-sanctions-against-russia/>

FRENCH LAWYERS CHALLENGE EU SANCTIONS BAN ON LEGAL SERVICES

On 10 March, the EU Sanctions blog reported on a challenge launched on 23 December by Avocats Ensemble (ACE), which represents the French business bar.

<https://www.europeansanctions.com/2023/03/french-lawyers-challenge-the-eus-russia-sanctions-ban-on-legal-advisory-services/>

UK: RUSSIA SANCTIONS – 7 ENTRIES AMENDED AND 14 CORRECTED

On 10 March, a Notice from HM Treasury advised that 21 existing entries on the Russia sanctions lists have been amended or corrected. An alias for another entry has also been amended.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1141687/Notice_Russia_100323.pdf

SWITZERLAND HAS AMENDED ITS SYRIA SANCTIONS REGIME IN ORDER TO FACILITATE HUMANITARIAN ASSISTANCE

On 10 March, the EU Sanctions blog reported that the Swiss had adopted the humanitarian exemptions in the wake of earthquakes in Syria and Turkey.

<https://www.europeansanctions.com/2023/03/switzerland-adopts-humanitarian-exemption-to-syria-sanctions/>

US: FEDERAL COURT HOLDS FINANCIAL INSTITUTION THAT RECEIVED FUNDS LIABLE FOR BUSINESS EMAIL COMPROMISE (BEC) LOSS

A post from the Compliance and Enforcement blog from the program on Corporate Compliance & Enforcement at the New York University School of Law considers a recent case in Virginia, in which the

court held that the financial institution was liable because it failed to act on certain alerts it received about the recipient bank account from its own AML software. It says that whether the decision is an outlier or marks a turning point in the case law remains to be seen.

https://wp.nyu.edu/compliance_enforcement/2023/03/10/federal-court-holds-financial-institution-liable-for-business-email-compromise-loss/

FURTHER DELAYS TO THE EU TRAVEL AUTHORISATION SYSTEM (ETIAS) SCHEME

On 10 March, an Insight from Field Fisher said that ETIAS was originally scheduled to launch in early 2022, but was then pushed back to Spring 2023 and then to November 2023; but recent reports now indicate that it will not be operational until 2024. Reasons for the latest delay are not clear but there are concerns of the chaos it could cause at the border if preparations have not been completed in time. When ETIAS is implemented, it will then become mandatory for nationals who do not have to apply for a Schengen visa in advance, to obtain pre-travel authorisation to enter the EU and the 4 non-EU Schengen countries (Norway, Iceland, Switzerland & Liechtenstein).

<https://www.fieldfisher.com/en/insights/further-delays-to-the-etias-scheme-will-allow-businesses-more-time-to-prepare-for-its-implementation>

UK SUPERMARKET CHAIN CAUGHT UP IN ROW OVER SOUTH AMERICAN MEAT SOLD AS 'BEST BRITISH BEEF'

On 10 March, the Daily Mail reported that Booths has confirmed it is the supermarket linked to a food fraud investigation over the passing off of imported beef as British. The National Food Crime Unit (NFCU), part of the Food Standards Agency earlier said pre-packed meat and deli products from South America and Europe have been supplied to the retailer and labelled as British.

<https://www.dailymail.co.uk/news/article-11845127/Booths-named-supermarket-caught-row-South-American-meat-sold-best-British-beef.html>

REAL ESTATE TYCOON INDICTED FOR TAX FRAUD AND MONEY LAUNDERING IN FRANCE

On 10 March, AFP reported that a wealthy owner of many buildings in the upscale neighbourhoods of Paris, Adrien Labi, has been indicted on suspicion of tax evasion and money laundering, €461 million were said to have been seized. Labi is a Libyan-born British citizen.

<https://newsrnd.com/news/2023-03-09-a-wealthy-businessman-indicted-in-paris-for-tax-evasion-461-million-euros-seized.ryYUR5Pkh.html>

NIRAV MODI CLAIMS HE HAS NO FUNDS TO PAY UK COURT COSTS

On 10 March, One India reported that diamond merchant Modi, having fought extradition from the UK to India, where he faces fraud and money laundering charges, claims that he does not have any funds to pay the £150,000 legal costs he has amassed.

<https://www.oneindia.com/international/nirav-modi-claims-he-has-no-funds-to-pay-uk-court-fines-3533650.html>

<https://www.buymeacoffee.com/KolvM842y>

