

30 OCTOBER 2023

UK: INDEPENDENT REVIEW OF DISCLOSURE AND FRAUD OFFENCES

On 12 October, the Home Office advised that Jonathan Fisher KC has been appointed Chair of the Independent Review of Disclosure and Fraud Offences. He will undertake a quick review of the challenges of investigating and prosecuting fraud cases and the operation of the disclosure regime in a digital age.

<https://www.gov.uk/government/collections/independent-review-of-disclosure-and-fraud-offences>

OHIO MUSEUM SUES MANHATTEN DA OVER SEIZURE OF ALLEGEDLY SMUGGLED STATUE

On 30 October, a post from Boodle Hatfield said that a museum in the US was suing over a ancient bronze statue that had allegedly been smuggled from Turkey, questioning the grounds for seizure and evidence of it being smuggled.

<https://artlawandmore.com/2023/10/30/cleveland-museum-sues-manhattan-das-office-over-seized-20-million-16-5-million-headless-statue/>

JERSEY: PRIVY COUNCIL RULES ON SEIZURE ORDERS IN INTERNATIONAL COOPERATION CASE

On 11 October, an article from Ogier reported on decisions of the Judicial Committee of the Privy Council in case referred from the Jersey courts. It concerns the *saisie judiciaire* (seizure orders) in a case involving a former president of an Indonesian bank who, in 2014 and 2015, had been convicted in Indonesia of fraud and money laundering offences. The decisions confirm the international reach of the *saisie judiciaire* and the role of Jersey in providing assistance both with the seizure of assets held through Jersey trusts and, more generally, the fight against cross-border crime; and that international assistance requests can continue to be made without waiver of sovereign immunity and the risk of adverse costs orders being made against them in doing so.

<https://www.ogier.com/news-and-insights/insight/the-tantular-litigation-continuing-the-fight-against-cross-border-financial-crime/>

REMOVAL FROM EU TAX BLACKLIST: WHAT THIS MEANS FOR BRITISH VIRGIN ISLANDS

On 27 October, an article from Charles Russell Speechlys says that the BVI was added to the EU Tax Blacklist in February: the first time that it had been included; and that its removal from the list is particularly notable for how quickly it took place after the initial listing.

<https://blog.charlesrussellspeechlys.com/post/102ir8w/removal-from-eu-tax-blacklist-what-this-means-for-british-virgin-islands>

FROM HAMAS TO NORTH KOREAN NUKES, CRYPTOCURRENCY TETHER KEEPS SHOWING UP

On 27 October, an article from the Wall Street Journal said that Tether, now the world's most heavily traded cryptocurrency by volume, is increasingly showing up in investigations tied to money laundering, terror financing and sanctions evasion. It says that, in the past year, the cryptocurrency appears to have been used in financing Hamas, paying Chinese fentanyl suppliers, funding the North Korean nuclear program and helping buy sanctioned Venezuelan oil for sanctioned Russian oligarchs.

<https://www.wsj.com/finance/currencies/most-popular-cryptocurrency-keeps-showing-up-in-illicit-finance-71d32e5e>

HUAWEI'S NEW SMARTPHONE AND THE FUTURE OF SEMICONDUCTOR EXPORT CONTROLS

On 6 October, a report from CSIS notes the introduction of the Mate60 Pro, which dramatically marked Huawei's return to the 5G smartphone business. The report discusses the implications of the new Chinese 7-nanometer (nm) node chips used in the Mate60. It says that the ability for SMIC to create these chips despite US export controls has led to questions regarding their efficacy in deterring China's semiconductor advancements. The report sheds light on how these export controls failed, as well as providing insights into the use of similar controls in the future.

<https://www.csis.org/analysis/chip-race-china-gives-huawei-steering-wheel-huaweis-new-smartphone-and-future>

UK: FOREIGN AFFAIRS COMMITTEE PUBLISHES THE GOVERNMENT RESPONSE TO ITS REPORT "GUNS FOR GOLD: THE WAGNER NETWORK EXPOSED"

On 30 October, the Parliamentary website carried the Government response which provides an update on the UK's attempts to address the threat posed by Private Military Companies (PMC) and in particular the Wagner Network. The Government has agreed or partially agreed to 16 of the Committee's recommendations, disagreeing with only 1. The Government has agreed "to establish a cross-Government taskforce on Wagner" and have "dedicated new resource to containing and countering Wagner and other Russian proxy PMSC and are working closely with Allies to maximise our collective impact".

<https://committees.parliament.uk/committee/78/foreign-affairs-committee/news/198212/hmg-finally-ups-its-game-on-wagner/>

UK: FUTURE FINANCIAL SERVICES REGULATORY REGIME FOR CRYPTOASSETS

On 30 October, HM Treasury published the Government response to the consultation on proposals for cryptoasset regulation in the UK, including its intention to bring a number of cryptoasset activities into the regulatory perimeter for financial services for the first time.

<https://www.gov.uk/government/consultations/future-financial-services-regulatory-regime-for-cryptoassets#full-publication-update-history>

UK BACKS NEW FATF RULES TO CLAW BACK ILL-GOTTEN GAINS

On 27 October, HM Treasury advised that FATF has announced it is adopting a new set of strengthened standards for seizure and confiscation, as a 2-year project co-led by the UK reached its conclusion. The full text of the changes is to be published in the coming months.

<https://www.gov.uk/government/news/uk-drives-new-international-rules-to-claw-back-ill-gotten-gains>

BIS UPDATE OF OCTOBER 2022 SEMICONDUCTOR EXPORT CONTROL RULES

On 27 October, Skadden published an article about 2 interim final rules to reinforce and expand controls on advanced semiconductors and related computing items (the Advanced Semiconductors Rule); and semiconductor manufacturing equipment (the Semiconductor Manufacturing Equipment Rule).

https://www.skadden.com/-/media/files/publications/2023/10/bis-updates-october-2022-semiconductor-export-control-rules/bis_updates_october_2022_semiconductor_export_control_rules.pdf?rev=30524b111da84d0aa6f9c31c83d5b4b3

£10 MILLION OF COCAINE BURIED IN SHIP'S HULL SEIZED AT SHEERNESS

On 28 October, a news release from NCA advised that cocaine hidden deep within a container ship at Sheerness Port in Kent has been seized as part of a National Crime Agency investigation. It was found on a Panamanian-registered ship carrying a load of bananas.

<https://www.nationalcrimeagency.gov.uk/news/10m-buried-in-ship-s-hull-seized-at-sheerness>

FATF CONFIRMS GIBRALTAR MEETS ACTION PLAN

On 27 October, a news release advised that the President of FATF had confirmed that Gibraltar has satisfied its action plan and is now programmed, subject to an on-site inspection, to be removed from the FATF Grey list at its next Plenary session scheduled to take place in February 2024.

<https://www.gibraltar.gov.gi/press-releases/fatf-confirms-gibraltar-meets-action-plan-next-step-removal-from-grey-list-7372023-9333>

MONETARY AUTHORITY OF SINGAPORE'S CYBER SECURITY ADVISORY PANEL PROPOSES WAYS TO TACKLE MOBILE MALWARE SCAMS AND GENERATIVE AI RISKS FOR THE FINANCIAL SECTOR

On 30 October, a release on Mondo Visione advised that the CSAP, comprising cybersecurity experts from around the world, convened its seventh annual meeting on 24 and 25 October. The meeting discussed global cybersecurity trends and their impact on the financial sector, securing mobile banking and payments amidst the rise of online banking scams, as well as financial institutions' (FI) growing adoption of artificial intelligence (AI).

<https://mondovisione.com/media-and-resources/news/monetary-authority-of-singapores-cyber-security-advisory-panel-proposes-ways-to-1/>

HAWAII BRIBERY SCANDAL

On 26 October, the New York Times published an article about a major contracting scandal broke out in Hawaii last year, but a planned audit was never completed, and a county's flawed system for awarding contracts — a system marred by bribery and a lack of competition — remained largely the way it was.

<https://www.nytimes.com/2023/10/25/us/hawaii-bribery-maui-fires-rebuild.html>

DOMINICAN REPUBLIC JUDGE ORDERS CUSTODY FOR EXECUTIVES OF FINANCIAL INSTITUTION OVER PARTICIPATION IN A FRAUD SCHEME

On 26 October, OCCRP reported that the Prosecutor's Office had remanded in custody 4 executives of a financial institution located in the country's capital for their participation in a fraud scheme that embezzled more than \$40 million. Another 3 were put under house arrest. They belonged to the *Cooperativa de Ahorros y Crédito Herrera (Coop-Herrera)*, a company dedicated to providing financial services such as credit, loans, and savings accounts. They worked as directors, administrators, managers, auditors, and associates.

<https://www.occrp.org/en/daily/18164-dominican-republic-judge-orders-custody-for-executives-of-financial-institution>

AFGHANISTAN: THE BATTLE TO SAVE THE SICK FROM SANCTIONS

On 26 October, Swissinfo reported that banks are reluctant to process funding to sanctioned regimes for fear of breaching the rules. This leads to often dramatic consequences for local populations. It says

that Switzerland has been trying to address the problem in Iran and Afghanistan, but with limited results.

<https://www.swissinfo.ch/eng/the-battle-to-save-the-sick-from-sanctions/48905250>

UK: GLOBAL E-TAILER BOOHOO IS POTENTIALLY FACING A £100 MILLION LAWSUIT AFTER "POOR WORKING CONDITIONS" AND "LOW RATES OF PAY" IN ITS LEICESTER FACTORIES

On 26 October, website The Industry.Fashion reported that shareholders are said to be planning to take Boohoo to court after 2020 allegations of modern slavery saw the company's value drop by over £1 billion, according to The Times.

<https://www.theindustry.fashion/boohoo-cautioned-with-100m-lawsuit-after-modern-slavery-allegations/>

NCA: SARS IN ACTION NEWSLETTER – MONEY MULE SPECIAL EDITION

The latest edition of the NCA newsletter focuses on money mules and includes a list of many of the common indicators that may suggest money mule activity in accounts, transactions and other financial activity. It also says that mule networks are using social media more to recruit mules as they are able to anonymously reach a wide range of potential recruits. Criminals can then operate internationally with minimal risk of their identity being discovered.

<https://www.nationalcrimeagency.gov.uk/who-we-are/publications/675-sars-in-action-issue-22/file>

IRELAND: 2 SUSPECTS ARRESTED AS PART OF INVESTIGATION INTO MONEY LAUNDERING OPERATION LINKED TO KINAHAN CARTEL AND RUN BY CHINESE NATIONALS

On 30 October, the Irish Times reported that CAB had arrested 2 suspects as part of an investigation of a money laundering network run by Chinese nationals in Dublin and which has been linked to Irish associates of the Kinahan cartel.

<https://www.irishtimes.com/crime-law/courts/2023/10/30/two-suspects-arrested-as-part-of-investigation-into-money-laundering-operation-run-by-chinese-nationals-in-dublin/>

INDIA'S NEW INVESTIGATION DATA PRIVACY LAW PROVIDES INTERESTING LOOPHOLE

On 30 October, a post on the FCPA Blog was concerned with new data protection legislation which provides a way for companies to bypass obtaining consent to search personal data during an investigation.

<https://fcpablog.com/2023/10/30/consent-not-required-indias-new-investigation-data-privacy-law-provides-interesting-loophole/>

NORTH KOREA ILLICITLY ADDED 14 SHIPS TO FLEET, MOSTLY FROM CHINA

On 30 October, NK News reported that the UN Panel of Experts said that DPRK has now acquired 52 vessels since 2020 in violation of international sanctions.

<https://www.nknews.org/2023/10/north-korea-illicitly-added-14-ships-to-fleet-mostly-from-china-un-report/>

US INDUSTRY FILES ANTIDUMPING DUTY PETITION ON TRUCK AND BUS TYRES FROM THAILAND

On 27 October, Torres Trade Law reported that the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union has submitted a petition to the Department of Commerce and the International Trade Commission for the imposition of anti-dumping duties (ADD) on bus and truck tyres from Thailand.

<https://www.torrestradelaw.com/posts/Trade-Alert%3A-U.S.-Industry-Files-Antidumping-Duty-Petition-on-Truck-and-Bus-Tires-from-Thailand/326>

'FRAUD, THEFT AND ABUSE' FORCE TEXAS FREIGHT BROKERAGE TO SHUT DOWN

On 27 October, Freightwaves reported that the CEO of SEL Supply Chain Solutions (SELSCS) of Fort Worth, Texas, said his year started off with a \$700,000 load of video poker machines being stolen in Las Vegas and "everything went downhill from there".

https://www.freightwaves.com/news/fraud-theft-and-abuse-force-texas-freight-brokerage-to-shut-down?oly_enc_id=2026I0676490B7W

UK GOVERNMENT: UPDATE ON PLANS FOR THE REGULATION OF FIAT-BACKED STABLECOIN

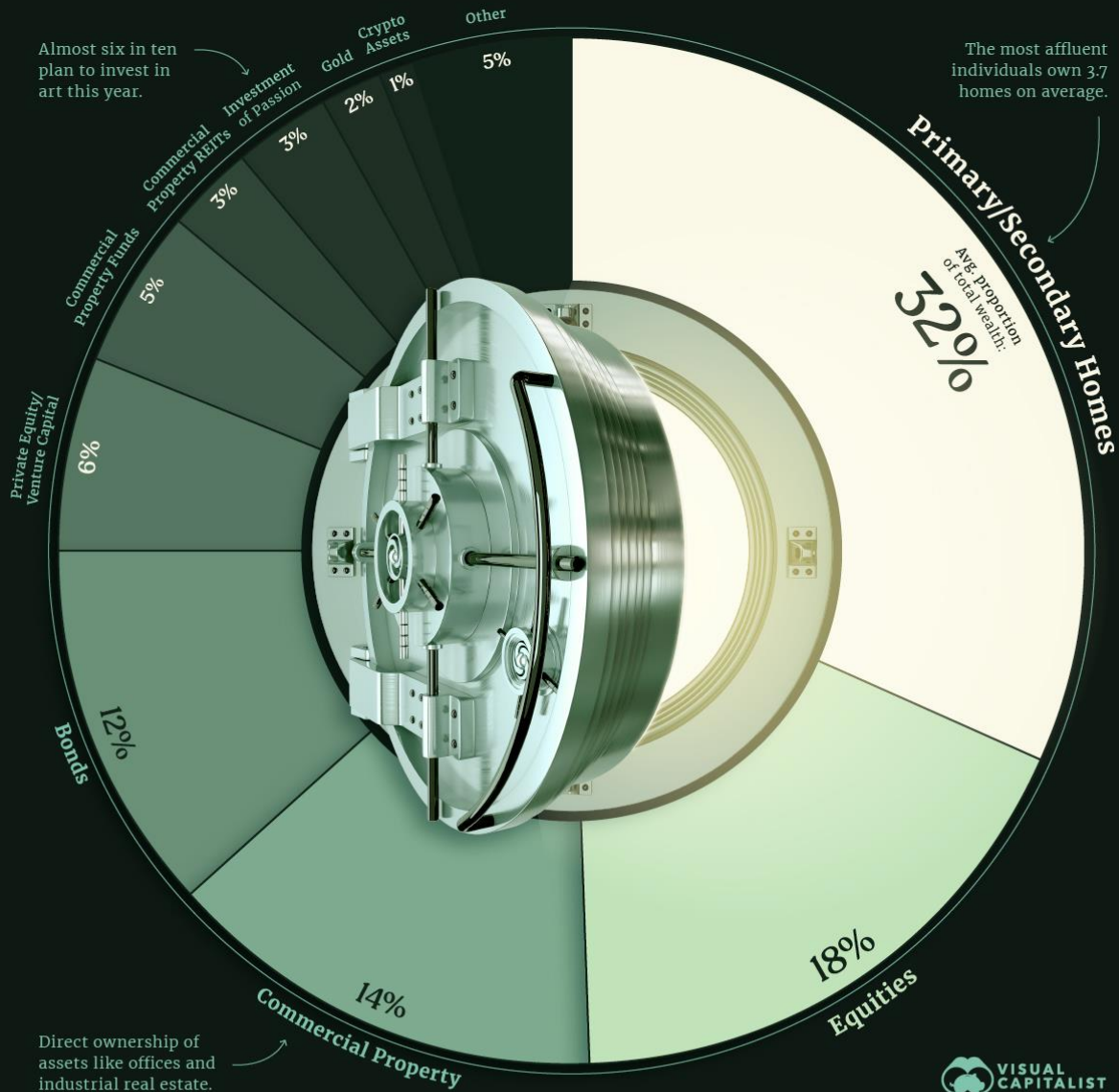
On 30 October, a release on Mondo Visione said that the UK Government has provided an update on its legislative approach for bringing fiat-backed stablecoins into the UK's regulatory perimeter for financial services. It provides additional detail following the UK regulatory approach to cryptoassets, stablecoins, and distributed ledger technology in financial markets consultation response published in April 2022. This update will inform development of the Financial Conduct Authority and Bank of England's approaches for regulating stablecoin issuers and custodians, and systemic digital settlement asset payments systems and service providers respectively.

<https://mondovisione.com/media-and-resources/news/uk-government-update-on-plans-for-the-regulation-of-fiat-backed-stablecoin/>

Investments of the Ultra-Wealthy

An ultra high net worth individual (UHNWI) is a person with a net worth over \$30M (including primary residence).

Here is how they allocate their wealth...



Note: Totals may not equal 100 due to rounding. Survey conducted in November 2022 across over 500 wealth managers who oversee a combined \$2.5 trillion in assets for UHNWI clients. Source: Knight Frank

 /visualcapitalist
  /visualcapitalist
  @visualcap
  @visualcap
  visualcapitalist.com



<https://www.visualcapitalist.com/visualizing-the-investments-of-the-ultra-wealthy/>

LIST OF HIGH-RISK COUNTRIES* AS AT 30/10/2023 (*regarding anti-money laundering and countering the financing of terrorism (AML/CFT))					
<small>(prepared by Maria Odysseos Pitharidou)</small>					
a/a	COUNTRY	FATF		EU COMMISSION	
		Jurisdictions Under Increased Monitoring (the "grey list") - 27/10/2023	High-Risk Jurisdictions subject to a Call for Action (the "black list") - 27/10/2023	High-Risk Third Countries - 18/10/2023	Non-Cooperative Jurisdictions for Tax Purposes - 17/10/2023
1	Afghanistan				
2	American Samoa				
3	Antigua and Barbuda				
4	Anguilla				
5	Bahamas				
6	Barbados				
7	Belize				
8	Bulgaria				
9	Burkina Faso				
10	Cameroon				
11	Cayman Islands				
12	Croatia				
13	Democratic People's Republic of Korea (DPRK)				
14	Democratic Republic of the Congo				
15	Fiji				
16	Gibraltar				
17	Guam				
18	Haiti				
19	Iran				
20	Jamaica				
21	Jordan				
22	Mali				
23	Mozambique				
24	Myanmar				
25	Nigeria				
26	Palau				
27	Panama				
28	Philippines				
29	Russia				
30	Samoa				
31	Senegal				
32	Seychelles				
33	South Africa				
34	South Sudan				
35	Syria				
36	Tanzania				
37	Trinidad and Tobago				
38	Türkiye (Turkey)				
39	Turks and Caicos Islands				
40	Uganda				
41	United Arab Emirates				
42	US Virgin Islands				
43	Vanuatu				
44	Vietnam				
45	Yemen				

https://www.linkedin.com/posts/maria-odysseos-pitharidou-b8a979129_hello-everybody-following-the-fatfs-publication-activity-7124661481408745472-31g0

IF YOU WOULD LIKE TO MAKE A (VERY) MODEST CONTRIBUTION FOR MY TIME AND COSTS, YOU

CAN “BUY ME A COFFEE”

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