

15 March 2024

OFAC TARGETS VESSEL SHIPPING IRANIAN COMMODITIES FOR HOUTHIS AND QODS FORCE

On 15 March, OFAC advised that it is acting against Marshall Islands-registered shipping company Vishnu Inc, whose vessel, the *LADY SOFIA*, is involved in illicit shipments to the People's Republic of China (PRC) in support of Iran's Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) and Houthi financial facilitator Sa'id al-Jamal, who is sanctioned under US counterterrorism authorities.

<https://ofac.treasury.gov/recent-actions/20240315>

<https://home.treasury.gov/news/press-releases/jy2185>

US IMPOSES STRICTER EXPORT CONTROLS ON ITEMS DESTINED FOR NICARAGUA

On 14 March, KPMG reported that the Bureau of Industry and Security (BIS) had issued a Rule amending the Export Administration Regulations (EAR) to apply more restrictive treatment to exports and re-exports to, and transfers (in-country) within, Nicaragua of items subject to the EAR. This also aligns with the State Department's decision to add Nicaragua to the list of countries subject to a US arms embargo under the International Traffic in Arms Regulations (ITAR).

<https://www.bis.doc.gov/index.php/documents/about-bis/newsroom/press-releases/3463-nicaragua-press-release-clean-1/file>

<https://kpmg.com/us/en/home/insights/2024/03/tnf-us-bis-imposes-strict-export-controls-items-destined-nicaragua.html>

WORLD FIRST USE OF AMMONIA FUEL IN TRIAL ON VESSEL IN SINGAPORE

On 15 March, Seatrade Maritime News reported that the world's first use of ammonia as a marine fuel has been carried out in Singapore onboard the converted offshore vessel.

<https://www.seatrade-maritime.com/sustainability-green-technology/world-first-use-ammonia-fuel-trial-fortescue-vessel-singapore>

DESPITE SANCTIONS, NORTH KOREA RUNS MORE THAN 50 RESTAURANTS IN CHINA

On 15 March, VOA reported that North Korea is operating more than 50 restaurants staffed by its citizens in more than 10 Chinese cities in violation of UN sanctions.

<https://www.voanews.com/a/despite-sanctions-north-korea-runs-more-than-50-restaurants-in-china-/7528335.html>

X HIT BY €1.35 MILLION PENALTY FOR ITALIAN GAMBLING AD BAN BREACHES

On 15 March, iGB reported that X, formerly Twitter, has become the latest social media platform to be fined in Italy for breaching the gambling advertising ban. The 2019 ban prohibits any form of advertising, sponsorship or communication presenting promotional content relating to games or betting.

<https://igamingbusiness.com/legal-compliance/legal/x-hit-by-penalty-for-italian-gambling-ad-ban-breaches>

MYTHS AND MOLECULES: GETTING REAL ABOUT GREEN HYDROGEN DIPLOMACY

On 11 March, the EU Institute for Strategic Studies published a briefing saying that green hydrogen has become one of the most hyped technologies of this decade, touted globally as a magic wand for near instantaneous decarbonisation. However, myths and misconceptions often cloud conversations about green hydrogen's role in the energy transition, fostering unrealistic expectations and setting the stage for eventual disappointment and frustration. To build successful green hydrogen partnerships, it says, a realistic approach is essential, starting with a firm grasp of the fundamentals of how we produce, transport and consume this fuel.

https://www.iss.europa.eu/sites/default/files/EUISSFiles/Brief_2024-4_Hydrogen.pdf

EUROPEAN COMMISSION DELETES GIBRALTAR (AND BARBADOS, UGANDA, PANAMA, AND UAE) FROM ITS 'HIGH-RISK' LIST AFTER FATF DECISION

On 15 March, the Gibraltar Chronicle reported that the EU had removed Gibraltar from its list of high-risk countries with "strategic deficiencies" in mechanisms to counter money laundering and terrorist financing. It also removed Barbados, Uganda, Panama, and UAE from the EU list, in line with FATF decisions.

<https://www.chronicle.gi/european-commission-deletes-gibraltar-from-high-risk-list-after-fatf-decision/>

<https://data.consilium.europa.eu/doc/document/ST-7791-2024-INIT/en/pdf>

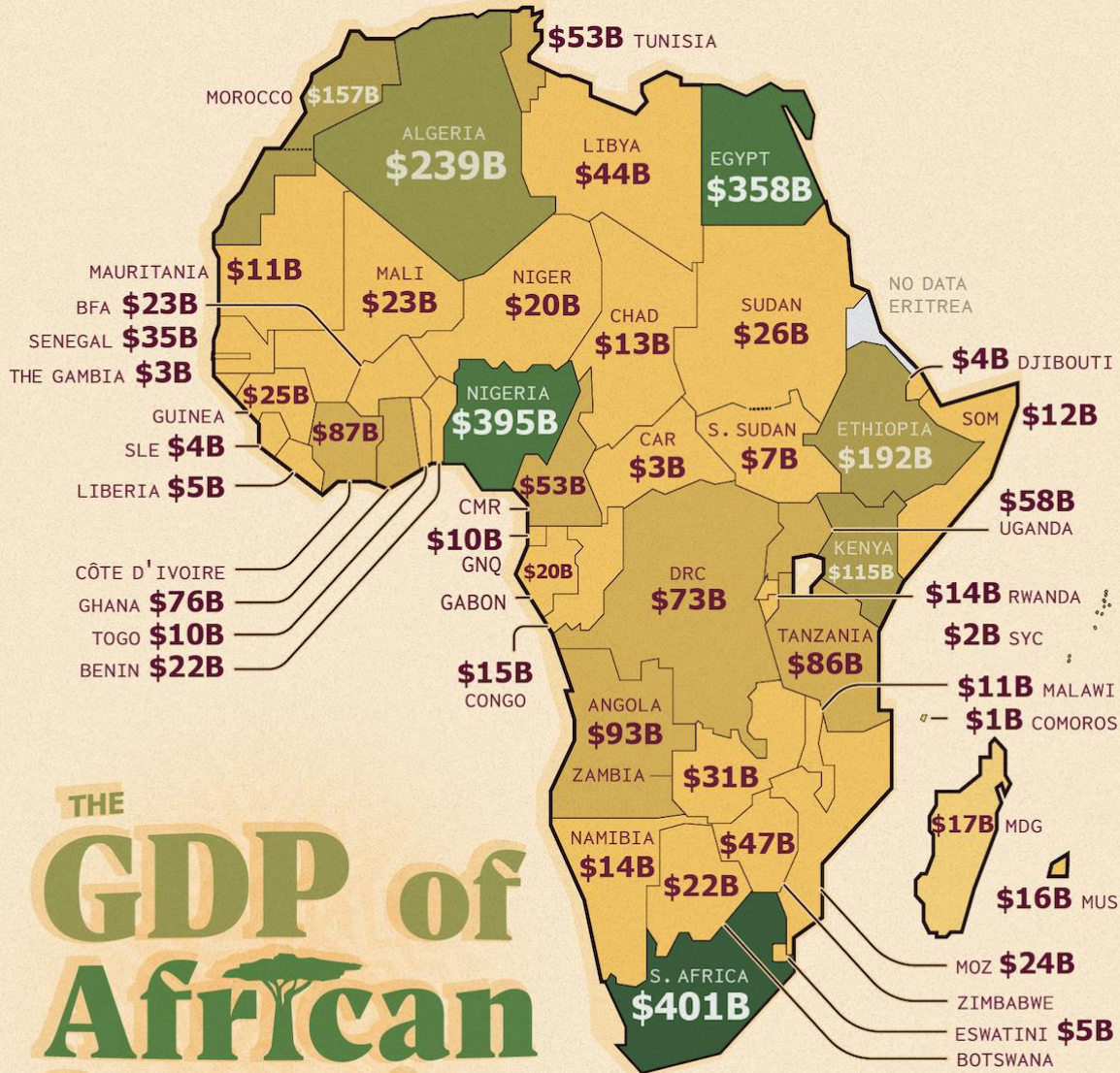
SWEDISH COURT ORDERS REFUND OF LOSSES FOR GAMBLING ADDICTION

On 14 March, an article from Bird & Bird reported that, in December, a groundbreaking judgment was delivered by the Swedish Patent and Market Court of Appeal in favour of a former gambling addict who incurred a loss of over €500,000 through gambling.

<https://www.twobirds.com/en/gambling-law/shared/insights/2024/sweden/swedish-court-orders-refund-of-losses-for-gambling-addiction>

GDP IN CURRENT PRICES USD BILLIONS

<0 50B 100B 150B 200B 250B 300B 350B 400B>



THE GDP of African Countries IN 2024

Source: IMF (Oct 2023)
All figures are projections. Excludes Lesotho, Guinea-Bissau, São Tomé and Príncipe, Burundi.



Where Data Tells the Story



<https://www.visualcapitalist.com/breaking-down-african-economy-by-country>

42 ARRESTED FOR SMUGGLING MIGRANTS ACROSS THE DANUBE

A news release from Europol on 15 March advised that a cross-border investigation led by the Romanian Border Police, supported by Europol and involving the Bulgarian General Directorate Combating Organised Crime and the German Police, has resulted in the dismantling of an organised crime group involved in migrant smuggling. The group were smuggling migrants from Bulgaria to Romania, across the Danube, and then toward Western Europe.

<https://www.europol.europa.eu/media-press/newsroom/news/42-arrested-for-smuggling-migrants-across-danube>

LUXEMBOURG SHOULD BUILD UPON RECENT ACHIEVEMENTS IN THE FIGHT AGAINST FOREIGN BRIBERY BY SUBSTANTIALLY STRENGTHENING ENFORCEMENT EFFORTS AND RESOURCES

On 14 March, the OECD Working Group on Bribery reported that Luxembourg has undertaken significant legislative and institutional reforms since its evaluation in 2011. Nevertheless, the legislative and institutional reforms are weakened by structural resource issues affecting the entire criminal justice system. In spite of having secured the first foreign bribery convictions of natural persons since the Convention came into force in the Grand Duchy, the very weak enforcement of the foreign bribery offence remains a matter of concern.

<https://www.oecd.org/newsroom/luxembourg-should-build-upon-recent-achievements-in-the-fight-against-foreign-bribery-by-substantially-strengthening-enforcement-efforts-and-resources.htm>
https://www.oecd-ilibrary.org/fr/governance/implementing-the-oecd-anti-bribery-convention-in-luxembourg_c328b3e7-en

TALIBAN'S INVESTMENT IN IRANIAN PORT SIGNALS SHIFT AWAY FROM PAKISTAN

On 15 March, an article from Rferl reported that the Taliban has said it will invest around \$35 million in Iran's strategic Chabahar Port, located in the country's south-east. The move announced in late February is seen as an attempt to lessen landlocked Afghanistan's dependence on Pakistani ports to access international markets.

<https://www.rferl.org/a/taliban-investment-iran-port-chabahar-pakistan-azadi-briefing/32863147.html>

ARMENIA, AZERBAIJAN, MOLDOVA, AND UKRAINE TAKE PROMISING STEPS TO FIGHT CORRUPTION BUT SHOULD IMPROVE ENFORCEMENT AND PROMOTE BUSINESS INTEGRITY

On 14 March, the OECD published 4 reports relating to the Istanbul Anti-Corruption Action Plan (IAP) peer review programme. They evaluate efforts to advance anti-corruption reforms in each country and identify areas to strengthen the fight against corruption.

<https://www.oecd.org/newsroom/armenia-azerbaijan-moldova-and-ukraine-take-promising-steps-to-fight-corruption-but-should-improve-enforcement-and-promote-business-integrity.htm>

https://www.oecd-ilibrary.org/governance/baseline-report-of-the-fifth-round-of-monitoring-of-anti-corruption-reforms-in-armenia_fb158bf9-en

https://www.oecd-ilibrary.org/governance/baseline-report-of-the-fifth-round-of-monitoring-of-anti-corruption-reforms-in-azerbaijan_a17aca4c-en

https://www.oecd-ilibrary.org/governance/baseline-report-of-the-fifth-round-of-monitoring-of-anti-corruption-reforms-in-moldova_25fc47ac-en



https://www.oecd-ilibrary.org/governance/review-of-anti-corruption-reforms-in-ukraine-under-the-fifth-round-of-monitoring_9e03ebb6-en

YEMEN'S HOUTHIS THREATEN TO EXTEND SHIP ATTACKS TO INDIAN OCEAN

In an article dated 16 March, Hellenic Shipping News reported that the Houthis have vowed to prevent Israel-linked ships from passing through the Indian Ocean towards the Cape of Good Hope, according to the group's leader Abdul Malik Al Houthi said.

<https://www.hellenicshippingnews.com/yemens-houthis-threaten-to-extend-ship-attacks-to-indian-ocean/>

COLOMBIAN AUTHORITIES HAVE DISMANTLED THE COUNTRY'S LARGEST SMUGGLING GANG

On 15 March, La Estrella de Panama reported that the people arrested included the smuggling "czar" (aka "El Zar") in the port of Buenaventura, the main port on the Pacific, and a former colonel and a police major.

<https://www.laestrella.com.pa/mundo/desmantelan-la-mayor-red-de-contrabando-en-colombia-que-incluia-a-la-policia-YF6430247>

<https://www.prensa.com/mundo/desmantelan-la-mayor-red-de-contrabando-en-colombia-que-incluia-a-la-policia/>

US: NON-PROFIT ORGANISATIONS AND THE CORPORATE TRANSPARENCY ACT (CTA)

On 15 March, an article from Dickinson Wright says that most tax-exempt entities are exempt from CTA reporting requirements, with a few important exceptions. The CTA contains reporting exemptions for 23 different types of entities, including some that will commonly apply to nonprofit entities and their affiliates.

<https://www.dickinson-wright.com/news-alerts/client-alert-nonprofits-and-the-cta>

INTERNATIONAL CRIMINAL COURT: UGANDAN WARLORD MUST PAY \$56 MILLION IN REPARATIONS

On 4 March, OCCRP reported that the ICC deemed a convicted Ugandan warlord liable for more than €52 million in reparations to his nearly 50,000 victims, who include child soldiers and women subjected to sexual assault.

<https://www.occrp.org/en/daily/18520-icc-ugandan-warlord-must-pay-56-million-in-reparations>

TACKLING ILLICIT FINANCIAL FLOWS AT SOURCE: ADOPTING A ‘LOCATION-CENTRED APPROACH’ TO ADDRESS MODERN SLAVERY AND HUMAN TRAFFICKING

On 2 March, a Discussion Paper from the United Nations University Centre for Policy Research (UNU-CPR), a think-tank within the UN, examines the potential of location risk-based transaction monitoring for financial flows from human trafficking and exploitation, as well as related money laundering activities. It presents different approaches that use crime-specific high-risk locations as red flags for the detection of relevant activities. They include the application of customised high-risk country lists and the increased monitoring of transaction channels between typical source countries and destination countries of trafficked individuals. In it, what is termed a ‘location-centred approach’ - can substantially increase the accuracy of indications for human trafficking and exploitative crimes.



https://collections.unu.edu/eserv/UNU:9481/tackling_illicit_financial_flows.pdf

The Main Elements of a 'Location-Centred Approach'

- Increased monitoring of clients showing high MS/HT risks;
- Monitoring for suspicious transactions involving certain countries and industries;
- Increased monitoring of transactions taking place between countries and/or cities of known trafficking channels;
- Increased monitoring of trafficking hotspots like modern-day slave markets; and
- Screening for transaction behaviour changes of clients in the context of war and other crises fueling MS/HT vulnerabilities.

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