

29 April 2024

UPDATE ON THE AML/CFT PACKAGE: FORMAL ADOPTION BY THE EUROPEAN PARLIAMENT ON 24 APRIL

On 26 April, CMS Luxembourg reported on the progress of the latest EU AML/CFT package. The package is composed of 4 legislative proposals aiming at harmonising and strengthening AML/CFT rules in the EU.

<https://cms-lawnow.com/en/ealerts/2024/04/update-on-the-aml-ctf-package-formal-adoption-by-the-european-parliament-on-24-april-2024>

UKRAINE BLOCKS 2,500 ILLEGAL GAMBLING SITES

On 29 April, iGB reported that the Prosecutor General's Office released figures detailing its work to block illegal gambling over 2023 and 2024 so far.

<https://igamingbusiness.com/legal-compliance/regulation/illegal-gambling-ukraine>

FCA DEFENDS 'NAME AND SHAME' PLANS AFTER CITY BACKLASH

On 29 April, City AM reported that the Financial Conduct Authority (FCA) has launched a robust defence of its plans to 'name and shame' companies under investigation after a fierce backlash against the proposed changes in recent weeks.

<https://www.cityam.com/fca-defends-name-and-shame-plans-after-city-backlash>

US STATES TAKE ON CHINA IN THE NAME OF NATIONAL SECURITY

On 26 April, the Wall Street Journal reported on US states, from Florida to Indiana and Montana, proposing an expanding array of local proposals, bills, laws and regulations aim to block Chinese individuals and companies from acquiring land, winning contracts, working on research, setting up factories and otherwise participating in the US economy. The states say they are acting where Congress hasn't to address grassroots distrust of the Chinese Communist Party.

<https://www.wsj.com/politics/states-take-on-china-in-the-name-of-national-security-7ed05257>

UK: 1 ENTRY ON ISIL/AL-QAIDA SANCTIONS LIST AMENDED

On 29 April, a Notice from HM Treasury advised that the existing entry for Sanallah GHAFARI had been amended following a decision of the relevant UN Sanctions Committee.

https://assets.publishing.service.gov.uk/media/662f64572cfa08bb2ee9f901/Notice_ISIL_Da_esh_and_Al-Qaida_290424.pdf

INDIAN NAVY RESCUES PANAMA-FLAGGED SHIP FROM HOUTHİ REBELS

On 28 April, the New Indian Express reported that a swift response by the Indian Navy on a distress call raised by a Panama-flagged ship MV *Andromeda Star* helped in safeguarding and securing its crew which were mostly Indians.

<https://www.newindianexpress.com/nation/2024/Apr/29/navy-rescues-panama-flagged-ship-with-22-indians-from-houthi-rebels>

INTANGIBLE TRANSFERS OF TECHNOLOGY AND SOFTWARE: CHALLENGES FOR THE MISSILE TECHNOLOGY CONTROL REGIME (MTCR)

On 29 April, SIPRI released this report which explores a series of cases of export control violations and cases where the risk of a possible violation was identified involving missile-related intangible transfers of technology (ITT) or software. The report also develops a typology of violations and identifies associated compliance challenges. This report explores some of the key challenges that emerge from the case studies, including the increasing reliance on ITT and software, which have become easier and more common, by companies in the aerospace and NewSpace industry sectors and their global supply chains. The report concludes by offering recommendations for the MTCR to strengthen its efforts to address the proliferation risks posed by ITT and software.



https://www.sipri.org/sites/default/files/2024-04/intangible_transfers_of_technology_and_software_0.pdf

EUROPEAN ANTI-TRAFFICKING GROUP GRETA ISSUES 2023 REPORT

On 29 April, the Council of Europe said that its Group of Experts on Action against Trafficking in Human Beings (GRETA) has published its latest general report of activities, highlighting the key achievements in 2023. These include the publication of 11 new country evaluation reports

(Azerbaijan, Estonia, Greece, Iceland, the Netherlands, North Macedonia, Poland, Serbia, Slovenia, Spain and Sweden) and the launch of the fourth evaluation round.

<https://www.coe.int/en/web/portal/-/anti-trafficking-group-greta-issues-2023-report>

NEW LAWS TO PROTECT CONSUMERS FROM CYBER CRIMINALS COME INTO FORCE IN THE UK

On 29 April, UK Government Departments advised that regulations enforcing consumer protections against hacking and cyber-attacks take effect, mandating that internet-connected smart devices meet minimum-security standards by law.



<https://www.gov.uk/government/news/new-laws-to-protect-consumers-from-cyber-criminals-come-into-force-in-the-uk>

UK: CIRCULARS TO SUPPLEMENT COMMENCEMENT OF THE NEW CRYPTOASSET CIVIL FORFEITURE POWERS IN THE ECONOMIC CRIME AND CORPORATE TRANSPARENCY ACT 2023

On 26 April, the Home Office published Home Office Circulars 2024/04 and 05, intended to ensure consistency in practice by law enforcement agencies in the operation of the new non-conviction based, civil powers for the forfeiture of cryptoassets; and the operation of the new cryptoasset confiscation order powers.

<https://www.gov.uk/government/publications/circular-0052024-cryptoasset-forfeiture-provisions/0052024-economic-crime-and-corporate-transparency-act-cryptoasset-forfeiture-provisions-chapters-3c-to-3f>

<https://www.gov.uk/government/publications/circular-0042024-cryptoasset-confiscation-order-provisions/0042024-economic-crime-and-corporate-transparency-act-cryptoasset-confiscation-order-provisions>

EU DIRECTIVE ESTABLISHING MINIMUM RULES CONCERNING THE DEFINITION OF CRIMINAL OFFENCES AND PENALTIES FOR THE VIOLATION OF EU SANCTIONS MEASURES

EU Directive 2024/1226/EU is intended to establish minimum rules concerning the definition of criminal offences and penalties for the violation of those EU restrictive measures. The effective application of restrictive measures necessitates common minimum rules concerning the definitions of criminal conduct violating restrictive measures. EU restrictive measures include the prohibition of trading, importing, exporting, selling, purchasing, transferring, transiting or transporting goods or services. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 20 May 2025.

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202401226

EU AMENDS 5 NAMES ON MOLDOVA SANCTIONS LIST

EU Regulation 2024/1243/EU amended 5 existing entries.

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202401243

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202401242

EU AMENDS 19 ENTRIES ON BURMA/MYANMAR SANCTIONS LIST

EU Regulation 2024/1249/EU amended 19 existing entries.

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202401249

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202401250

UK: NCA ISSUES URGENT WARNING ABOUT 'SEXTORTION'

On 29 April, a news release from the notified an alert to hundreds of thousands of education professionals following a considerable increase in global cases of financially motivated sexual extortion – a type of online blackmail widely known as 'sextortion'.

<http://www.nationalcrimeagency.gov.uk/news/nca-issues-urgent-warning-about-sextortion>

GOVERNMENT TO LAUNCH NEW CONSULTATION TO PROTECT UK UNIVERSITIES FROM SECURITY THREATS

On 29 April, the Cabinet Office announced an intention to launch a consultation on measures to protect UK universities from national security threats posed by foreign states.

<https://www.gov.uk/government/news/government-to-launch-new-consultation-to-protect-uk-universities-from-security-threats>

SRI LANKA: CABINET APPROVES CIVIL FORFEITURE LAW

On 29 April, Jurist reported that Sri Lanka's Cabinet of Ministers has approved a new legislative Bill, endorsed by the IMF that will allow the state to confiscate any property or proceeds resulting from criminal activities. The law, known as POCA, endorsed by the IMF, is the first of its kind to be undertaken in the region.

<https://www.jurist.org/news/2024/04/sri-lanka-cabinet-approves-imf-backed-civil-forfeiture-law-allowing-government-to-seize-proceeds-from-illegal-activity/>

LITHUANIA INSPECTING COMPANY SUSPECTED OF VIOLATING EU SANCTIONS

On 26 April, OCCRP reported that authorities are inspecting a company owned by the family of a prominent presidential candidate, after media reports suggesting the company may have violated EU sanctions against exports to Belarus.

<https://www.occrp.org/en/daily/18687-lithuania-inspecting-company-suspected-of-violating-eu-sanctions>
<https://blogs.duanemorris.com/europeansanctionsenforcement/2024/04/29/lithuania-investigation-commenced-into-alleged-exports-to-belarus-via-kazakhstan/>

IRELAND REAPS €700 MILLION BREXIT BONANZA FROM CUSTOMS DUTIES

On 29 April, the Guardian reported that Ireland has landed a Brexit bonanza with a steep increase in tax revenues flowing from customs duties now applicable to imports of clothing, food and other goods from Great Britain. Customs duties collected on imports from Great Britain made up almost half (45%) of Ireland's total last year – equivalent to about €264 million.

<https://www.theguardian.com/business/2024/apr/29/ireland-reaps-700m-brexite-bonanza-from-customs-duties>

UK: BIRMINGHAM CASH COURIER SMUGGLED £9.04 MILLION TO DUBAI IN 24 CASES IN 'BREATH TAKING' HUGE OPERATION

On 29 April, Birmingham World reported that a woman has been sentenced for her part in a money laundering network which smuggled more than £100 million out of the UK to the UAE led by a Dubai-based ring leader.

<https://www.birminghamworld.uk/news/crime/birmingham-cash-courier-smuggled-ps904million-to-dubai-in-24-cases-4608555>

SPAIN ACCIDENTALLY RELEASES DRUG LORD WHO PLANNED TO KILL HEIR TO DUTCH THRONE

On 23 April, Politico reported that “Mocro Maffia” leader Karim Bouyakhrican was arrested in Marbella last January in a major operation that concluded a 5-year money laundering investigation.

<https://www.politico.eu/article/spain-accidentally-releases-drug-lord-karim-bouyakhrican-who-planned-kill-heir-the-dutch-throne-and-mark-rutte/>

AIR TRAVELERS HELP FUEL \$2 TRILLION GLOBAL MONEY LAUNDERING SYSTEM

On 21 April, PYMNTS.com reported on a Wall Street Journal article which cited figures from UNODC and FATF showing that international air travellers likely move hundreds of billions in laundered funds in cash each year. According to the report, this rise in airline smuggling is the result of banks stepping up their suspicious transaction monitoring in the wake of money laundering scandals.

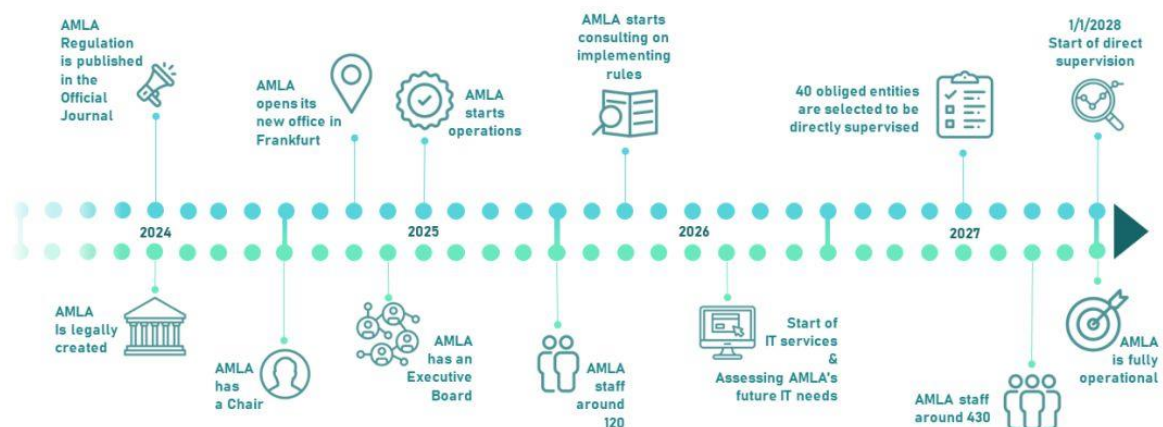
<https://www.pymnts.com/news/security-and-risk/2024/air-travelers-2trillion-money-laundering/>

VENEZUELA TO ACCELERATE CRYPTOCURRENCY SHIFT AS OIL SANCTIONS RETURN

On 23 April, Yahoo Finance claimed an exclusive for a report that Venezuela's state-run oil company PDVSA plans to increase digital currency usage in its crude and fuel exports as the US reimposes oil sanctions on the country.

<https://finance.yahoo.com/news/exclusive-venezuela-accelerate-cryptocurrency-shift-161847497.html>

ESTABLISHMENT OF THE EU ANTI-MONEY LAUNDERING AUTHORITY (AMLA)



https://www.linkedin.com/posts/pietro-odorisio-30ab009a_antimoneylaunderingauthority-amlamoneylaundering-activity-7190590654723342336-sB2s

MALTA – FIRST PUBLISHED FINE IMPOSED BY SANCTIONS MONITORING BOARD

On 29 April, Duane Morris reported that ArabMillionaire Limited was fined an unspecified amount for conduct said to have been identified “at the time of supervisory examination conducted between June and August 2020”. ArabMillionaire operated as an online casino (trading as Playfooz.com) based in Dubai until it lost its licence in 2022-23.

<https://blogs.duanemorris.com/europeansanctionsenforcement/2024/04/29/malta-first-fine-imposed-by-sanctions-monitoring-board/>

US SANCTIONS ON RUSSIA: LEGAL AUTHORITIES AND RELATED ACTIONS

On 26 April, the Congressional Research Service published a briefing about the various legislation that authorises or requires sanctions to counter Russia’s malign activities.

<https://crsreports.congress.gov/product/pdf/R/R48052>

US: COMPILATION OF FEDERAL WHISTLEBLOWER PROTECTION STATUTES

On 25 April, a briefing from the Congressional Research Service is a compilation of federal whistleblower and employee protection statutes. In addition to identifying laws that protect whistleblowers from retaliation, it includes employee protection laws that prohibit retaliation against employees who engage in various protected activities, such as participating in an investigation or filing a complaint. It also includes each of the statutes’ enforcement provisions outlining processes for covered employees seeking relief.

<https://crsreports.congress.gov/product/pdf/R/R46979>

ISLE OF MAN: REVIEW OF SANCTIONS LICENCES

On 29 April, the Isle of Man advised that, following a review, a number of General Licences had been revoked or amended.

<https://www.gov.im/news/2024/apr/29/financial-sanctions-general-licence-review/>

ISLE OF MAN: SANCTIONS ACT 2024 COMES INTO FORCE ON 1 MAY

On 29 April, a news release advised that the Sanctions Act 2024 (of Parliament) and the Sanctions (Implementation of UK Sanctions Regulations 2024) take effect from 1 May. It explains that this is a technical change to how sanctions are given legal effect in the Island. There are no changes to the prohibitions and restrictions currently in place. The Act brings together the majority of UN and UK

sanctions legislation under one Act of Tynwald, and into one set of Regulations instead of being separated over a number of Acts and Regulations.

<https://www.gov.im/news/2024/apr/29/sanctions-act-2024/>



<https://www.economist.com/graphic-detail/2024/04/29/who-is-supplying-russias-arms-industry>

NEW UKRAINE AND ISRAEL AID PACKAGE INCLUDES SIGNIFICANT CHANGES TO US SANCTIONS AND EXPORT CONTROL LAWS

On 29 April, an Alert from Wilmer Hale said that, on 24 April, President Biden signed into law an emergency appropriations package billed as authorising \$95 billion in foreign aid to Ukraine and Israel. While the Ukraine and Israel aid provisions and the potential ban on TikTok have received the most attention, the Act contains over 20 sections, some of which make significant changes to US sanctions and export control laws. These include allowing the President to confiscate all Russian sovereign assets subject to US jurisdiction and transfer the money to funds established for the benefit of Ukraine; amending the Comprehensive Iran Sanctions Accountability and Divestment Act of 2010 (CISADA) and thereby placing Chinese financial institutions at higher risk for secondary sanctions; other changes which similarly places foreign financial institutions at increased risk for secondary sanctions; and new authority to impose sanctions on parties involved in fentanyl or captagon trafficking.

<https://www.wilmerhale.com/en/insights/client-alerts/20240429-hiding-in-plain-sight-new-ukraine-and-israel-aid-package-includes-significant-changes-to-us-sanctions-and-export-control-laws>

PABLO ESCOBAR TRADE MARK DESCRIBED AS “HIGHLY OFFENSIVE” AND “SHOCKING” BY THE EU GENERAL COURT

On 26 April, Field Fisher reported that an EU trade mark application for the name PABLO ESCOBAR (filed by Escobar Inc, the Escobar family’s holding company) has been rejected by the EU General Court on the grounds that it is contrary to public policy and accepted principles of morality.

<https://www.fieldfisher.com/en/services/intellectual-property/intellectual-property-blog/pablo-escobar-trade-mark-described-as-highly-offensive-and-shocking-by-the-eu-general-court>

SOUTH KOREA'S NUCLEAR OPTION

On 29 April, CSIS published a report about South Korea’s nuclear ambitions. This report finds that concerns about a nuclear South Korea are exaggerated.

https://csis-website-prod.s3.amazonaws.com/s3fs-public/2024-04/240429_Cha_Breaking_Bad.pdf

OFAC: NEW RUSSIA SANCTIONS GENERAL LICENSE

On 29 April, OFAC issued General License 81 (Authorizing Transactions Related to Energy).

<https://ofac.treasury.gov/media/932846/download?inline>

EBA HAS IDENTIFIED NEW TYPES OF PAYMENT FRAUD AND PROPOSES MEASURES TO MITIGATE UNDERLYING RISKS

On 29 April, a release on Mondo Visione from the European Banking Authority (EBA) published as an Opinion, in which it assesses payment fraud data that has recently become available to the EBA, identifies new types and patterns of payment fraud, and develops proposals to mitigate them.

<https://mondovisione.com/media-and-resources/news/the-eba-has-identified-new-types-of-payment-fraud-and-proposes-measures-to-mitig/>

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