

10 April 2024

### **A NEW POLITICAL FORUM COULD HELP MAKE THE EU'S STRATEGIC TRADE CONTROLS MORE STRATEGIC — IF IT IS ALLOWED TO**

A Commentary from SIPRI on 10 April was concerned with an EU White Paper in January and the proposal for the creation of a 'forum for political coordination on export controls'. It says that the proposal has the potential to achieve something far more ambitious: linking the disparate elements of the EU's strategic trade controls framework and aligning them with its broader policy objectives.

<https://www.sipri.org/commentary/essay/2024/new-political-forum-could-help-make-eus-strategic-trade-controls-more-strategic-if-it-allowed>

### **NEW ZEALAND TO DEPLOY NEW AIRCRAFT TO MONITOR NORTH KOREAN SHIP-TO-SHIP SANCTIONS EVASION**

On 10 April, NK News reported that a P-8A Poseidon will operate out of Okinawa from mid-April and watch for illegal ship-to-ship transfers.

<https://www.nknews.org/2024/04/new-zealand-to-deploy-new-aircraft-to-monitor-north-korean-sanctions-evasion/>

### **POLITICAL INSTABILITY AND ENVIRONMENTAL POLITICS IN POSTREVOLUTIONARY TUNISIA**

On 8 April, an article from CSIS reviewed the situation in Tunisia, pointing out that, since the revolution, which ended in 2011, Tunisia has had 12 different governments; and that, amid chronic political instability, institutions had little legitimacy and little ability to implement policies.

Environmental policies have taken a particularly hard hit – despite threats ranging from the growing impacts of climate change to industrial pollution and poor waste management. It warns that Tunisia's environmental crises will continue to deteriorate.

<https://www.csis.org/analysis/political-instability-and-environmental-politics-postrevolutionary-tunisia>

### **UK AMENDS RUSSIA SANCTIONS GENERAL LICENCE**

On 10 April, HM Treasury advised that the General Licence which relates to Active Denizcilik and Beks Ships and allows for transit to port and wind down had been amended to remove the language prohibiting funds or economic resources from being made available for the benefit of any designated person.

[https://assets.publishing.service.gov.uk/media/66162470c4c84d5772346a7f/Active\\_and\\_Beks\\_General\\_Licence\\_INT.2024.4576632\\_PN.pdf](https://assets.publishing.service.gov.uk/media/66162470c4c84d5772346a7f/Active_and_Beks_General_Licence_INT.2024.4576632_PN.pdf)

### **US: THE FOREIGN EXTORTION PREVENTION ACT (FEPA)**

On 3 April, a post from the Transnational Litigation Blog was concerned with this new Act, saying that it now targets the “demand” side of foreign bribery. However, it says that while the FEPA seeks to neatly complement the FCPA, the implementation of this law could prove messy.

<https://tlblog.org/the-u-s-takes-the-fight-against-bribery-to-foreign-officials>

### **THE INTERNAL AFFAIRS RULE IN US COURTS**

On 9 April, a post on the Transnational Litigation Blog was concerned with the rule that posits that a court should generally apply the law of the state in which an entity is incorporated to resolve questions relating to that entity’s internal affairs. The post reviews recent cases in which the courts in New York have considered the continued viability and scope of the internal affairs rule.

<https://tlblog.org/rethinking-the-internal-affairs-rule>

### **US TREASURY ASKS SENATE FOR NEW POWERS TO CURB CRYPTO CRIME FINANCING**

On 9 April, the Wall Street Journal reported that a Senate committee was told that the Treasury needs new laws authorising it to interdict terrorist financing and sanctions evasion techniques that use cryptocurrency. Singled out for mention was the use of the currency tether as being used as an alternative payment mechanism by Russia.

<https://www.wsj.com/livecoverage/stock-market-today-dow-jones-04-09-2024/card/treasury-asks-senate-for-new-powers-to-curb-crypto-crime-financing-fQlsieqcDMV7Pp9VPxFj>

### **RESOURCING AND OUTSOURCING MLRO FUNCTIONS**

An article from Ogier on 8 April, in the light of the Jersey FSC considering whether the rules on location or employment of staff in control functions could be made more flexible, the firm considered the position in Guernsey, Cayman Islands and UAE.

<https://www.ogier.com/news-and-insights/insights/resourcing-control-functions/>

### **INTRODUCTION TO EXPORT DOCUMENTATION**

On 10 April, the About Biography website carried a useful introduction to the documents required for exports – such as commercial invoices, bills of lading, packing lists, certificates of origin, and export

licenses. These facilitate the international trade process by confirming product details, values, and shipping information, and meeting customs requirements in different countries.

<https://www.aboutbiography.com/navigating-international-trade-the-vital-role-of-export-documents/>

### **SANCTIONS HAVEN'T STOPPED NOTORIOUS SERBIAN ARMS MERCHANT SLOBODAN TEŠIĆ**

On 10 April, an article from OCCRP says that, despite repeated rounds of sanctions, arms dealer Slobodan Tešić remains a dominant player in Serbia's weapons trade. A leaked chat and other evidence suggests he has taken over a company that once answered to his top competitor.

<https://www.occrp.org/en/investigations/sanctions-havent-stopped-notorious-serbian-arms-merchant-slobodan-tesic>

### **AUSTRALIA: RUSSIAN COAL MINER BREACHED SANCTIONS LAW**

On 9 April, the Australian Financial Review and others reported that the federal court had ruled that Tigers Realm Coal is in breach of Australian sanctions put in place after the invasion of Ukraine. It found that continuing to export coal from Siberia breached the law prohibiting business with Russia, and ordered the miner to pay the government's legal costs. This is the first time a company has been found in breach of the Autonomous Sanctions Act following Russia's invasion of Ukraine in 2022; and this decision could put the coal miner out of business, lawyers for the miner had warned.

<https://www.afr.com/companies/mining/asx-listed-russian-coal-miner-breached-sanctions-law-federal-court-20240409-p5ficb>

### **US: MONEY LAUNDERING IS BEING FACILITATED BY VIDEO GAME CURRENCY CONVERSIONS**

On 10 April, AML Intelligence reported claims by the US Commercial Finance Protection Board (CFPB) re the threat from video game currencies. The CFPB said that **said the ability to convert gaming assets to fiat currency or crypto-assets "has led to a proliferation of money laundering and fraud on gaming platforms"**.

<https://www.amlintelligence.com/2024/04/news-video-game-currencies-enabling-proliferation-of-money-laundering-says-us-govt-agency/>

### **PREVENTING CORRUPTION IN FRANCE: PROGRESS REPORT**

On 10 April, the Council of Europe reported on measures taken by the French authorities to implement the recommendations from 2019 on preventing corruption and promoting integrity in central government (top executive functions) and law enforcement agencies. The report from its

GRECO body concludes that France is not in sufficient compliance with the recommendations. GRECO concludes that France has satisfactorily implemented or dealt with in a satisfactory manner 2 of the 18 recommendations, 10 recommendations have been partly implemented and 6 recommendations have not been implemented.

<https://www.coe.int/en/web/portal/-/preventing-corruption-in-france-progress-report-on-central-government-and-law-enforcement-agencies>

#### **UK: 5 BULGARIAN MEMBERS OF AN ORGANISED GANG HAVE BEEN CONVICTED OF WHAT THE CPS HAS DESCRIBED AS BRITAIN'S BIGGEST BENEFIT FRAUD CASE**

On 10 April, yahoo News and others reported that the 5 falsely claimed more than £50 million in universal credit and spent the money on luxury items and holidays and, between October 2016 and May 2021, the organised crime gang made thousands of false claims for universal credit using either real people or hijacked identities. Not widely reported, in the UK it seems, was the role of EU colleagues in the investigation.

<https://uk.news.yahoo.com/universal-credit-benefit-fraud-bulgarian-gang-103000132.html>

<https://www.scottishlegal.com/articles/england-benefit-fraudsters-who-claimed-more-than-ps50m-convicted>

<https://www.youtube.com/watch?v=vVb4XQrgXtA>

<https://www.cps.gov.uk/cps/news/members-britains-biggest-benefit-fraud-gang-convicted>

<https://www.eurojust.europa.eu/news/criminals-behind-multi-million-benefit-fraud-convicted-united-kingdom-eurojust-support>

#### **WHY HAVEN'T INDIA AND INDONESIA SIGNED UP FOR ANTI-SPYWARE DIALOGUE?**

On 10 April, RUSI published a Commentary which asks why have India and Indonesia yet to sign up to global governance mechanisms on commercial cyber intrusion capabilities – and how can proponents of the Pall Mall Process persuade them to do so? The mechanism, originally announced in March 2023, has now been signed by several countries, including the US, Japan, South Korea and Finland. Begun by the UK and France in February 2024, it is a separate multi-stakeholder dialogue also designed to combat the misuse and sale of commercial surveillance tools. The article suggests that both India and Indonesia may be using spyware both in domestic and international cyber operations. Consequently, they might not want to adopt a clear position on restricting commercial intrusion capabilities just yet.

<https://rusi.org/explore-our-research/publications/commentary/why-havent-india-and-indonesia-signed-anti-spyware-dialogue>

### **PERU: THE INTER-AMERICAN COURT OF HUMAN RIGHTS HOLDS STATE RESPONSIBLE FOR NOT PROTECTING CITIZENS AGAINST MINING POLLUTION**

On 10 April, an article from Jurist reported on a ruling involving air, water and soil pollution caused by mining and metallurgical activities in the Metallurgical Complex of La Oroya (hereinafter CMLO), and the failure of the State to regulate and oversee such activities.

It is said that this ruling becomes the first binding precedent in Latin America on the protection of the right to a healthy environment as an autonomous right, in addition to promoting and strengthening the standards of protection of human rights as an obligation of states to vulnerable populations. It also recognises the interdependence of the right to a healthy environment with the rights to health, life and personal integrity.

<https://www.jurist.org/news/2024/04/peru-dispatch-inter-american-court-of-human-rights-holds-state-responsible-for-not-protecting-its-citizens-from-mining-pollution/>

### **UK: THE ECONOMIC CRIME AND CORPORATE TRANSPARENCY ACT 2023 – NEW OFFENCES**

The Police National Legal Database published an article about provisions of the Act brought into operation on 4 March, and the new offences introduced. Also brought in were various provisions and amendments to the Companies Act 2006 including the duty on companies to control company names, addresses of registered premises and email addresses and ensure that they are compliant. It strengthened powers for the registrar to control the registered names of companies and prevent names being registered which it suspects are for criminal purposes or foreign governments or which contain computer code. There are various provisions allowing for secondary legislation to be made in these areas.

<https://www.pnld.co.uk/article/?id=c68a3776-14f7-ee11-a1fe-6045bd13d572>

### **POLICE AND GENDARMERIE CONDUCT RAIDS IN SOFIA AT ADDRESSES LINKED TO BULGARIAN MP**

On 10 April, Novinite reported that the action followed a Belgian request and is reportedly targeting an organised criminal group involved in drug trafficking and money laundering.

<https://www.novinite.com/articles/225443/Police+and+Gendarmerie+Conduct+Raids+in+Sofia+at+Addresses+Linked+to+Bulgarian+MP>

### **TAIWAN: THE FOUNDER OF ACE EXCHANGE CRYPTOCURRENCY TRADING PLATFORM CHARGED WITH MONEY LAUNDERING AND FRAUD**

On 10 April, Cryptopolitan reported that Taipei City police arrested David Pan and 14 other people thought to be related to the case in January following raids on a number of locations, including Ace's headquarters.

<https://www.cryptopolitan.com/crypto-exchange-founder-charged/>

### **GANGS NETTING UP TO \$3 TRILLION A YEAR AS SE ASIA HUMAN TRAFFICKING BECOMES A GLOBAL CRISIS**

On 28 March, CNN reported that human trafficking-fuelled fraud is exploding in South-east Asia with organised crime rings raking in close to \$3 trillion in illicit revenue annually, the head of Interpol has said in comments that reveal the huge profits being earned by cartels.

<https://edition.cnn.com/2024/03/28/asia/southeast-asia-interpol-scam-human-trafficking-crime-intl-hnk/index.html>

### **SINGAPORE CHARGES EX-EXECUTIVES AND SETTLES WITH SEATRUM IN BRAZIL BRIBERY**

On 1 April, Maritime Executive reported that authorities in Singapore announced that they have completed their investigation into the alleged corruption and bribery offenses by the former Sembcorp Marine finding that there was sufficient evidence to mount a prosecution. 2 former executives are being charged in the decade-old case centring around payments made in Brazil to win business.

<https://maritime-executive.com/article/singapore-charges-ex-executives-and-settles-with-seatrium-in-brazil-bribery>

### **A NEW EUROPEAN COMMISSION PROPOSAL ON FOREIGN DIRECT INVESTMENT SCREENING: TOWARDS GREATER HARMONISATION**

On 9 April, Crowell Moring published an article about the European Commission proposal to revise the EU Foreign Direct Investment (FDI) Screening Regulation.

<https://www.cmtradelaw.com/2024/04/a-new-european-commission-proposal-on-foreign-direct-investment-screening-towards-greater-harmonization/>

## **THE GENERAL COURT OF THE EU HAS ANNULLED THE RUSSIAN SANCTIONS LISTINGS OF MIKHAIL FRIDMAN AND PETR AVEN**

On 10 April, the Global Sanctions blog reported that Fridman and Aven had been designated for (*inter alia*) being shareholders in Alfa Group with claimed close ties to President Putin and participation in efforts to lift Western sanctions by travelling to the US in 2018 to deliver a message from the Russian Government. However, the Court found the grounds for listing Mr Fridman and Mr Aven between February 2022 and March 2023 were invalid; but the EU Council has also implemented maintaining the individuals in later listings and Fridman and Aven have filed separate annulment applications challenging these acts.

<https://globalsanctions.co.uk/2024/04/fridman-avens-previous-eu-designations-held-unlawful/>

[https://curia.europa.eu/jcms/jcms/p1\\_4359813](https://curia.europa.eu/jcms/jcms/p1_4359813)

<https://www.theguardian.com/world/2024/apr/10/russian-oligarchs-petr-aven-mikhail-fridman-court-ruling-eu-sanctions>

## **US PROSECUTORS PUSH TO SEIZE APARTMENT TIED TO CONGOLESE PRESIDENT IN LUXURY TRUMP COMPLEX**

On 9 April, the ICIJ said that a daughter of one of Africa's longest-serving authoritarian leaders allegedly used embezzled public funds to purchase the Manhattan apartment now targeted for forfeiture.

<https://www.icij.org/investigations/pandora-papers/us-prosecutors-push-to-seize-apartment-tied-to-congolese-president-in-luxury-trump-complex>

## **CROSS-BORDER IMPLICATIONS OF FCA CONSULTATION PAPER ON PUBLISHING INFORMATION ABOUT THE OPENING AND PROGRESS OF INVESTIGATIONS**

A post from the Program on Corporate Compliance & Enforcement at the New York University School of Law on 10 April said that the FCA had announced that it is considering new procedures under which it would publicly identify firms that are under investigation as soon as the investigation has been opened. The post draws comparisons between the investigation disclosure regimes in the UK and the US; and also provides commentary on the FCA proposals.

[https://wp.nyu.edu/compliance\\_enforcement/2024/04/10/cross-border-implications-of-the-fcas-consultation-paper-on-publishing-information-about-the-opening-and-progress-of-investigations/](https://wp.nyu.edu/compliance_enforcement/2024/04/10/cross-border-implications-of-the-fcas-consultation-paper-on-publishing-information-about-the-opening-and-progress-of-investigations/)

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