

15 April 2024

FREEZING INJUNCTIONS - ENGLISH COURT CONSIDERS THE "GOOD ARGUABLE CASE" TEST

On 11 April, an article from Reed Smith considered a case which considered the test for what constitutes a “good arguable case” in the context of freezing injunctions. It contends that the law is in a state of confusion which the High Court has explained “cries out for a definitive answer from the Court of Appeal”.

<https://www.reedsmith.com/en/perspectives/2024/04/freezing-injunctions-english-court>

UK AND ISLE OF MAN: 3 ENTRIES ADDED TO SUDAN SANCTIONS

On 15 April, the UK and the Isle of Man advised that they had added 3 new entries to the Sudan sanctions list.

<https://www.gov.im/news/2024/apr/15/financial-sanctions-sudan/>

https://assets.publishing.service.gov.uk/media/661cd6e1c8225636d5bd3d20/Notice_Sudan_150424.pdf

<https://www.theguardian.com/global-development/2024/mar/22/what-caused-the-civil-war-in-sudan-and-how-has-it-become-one-of-the-worlds-worst-humanitarian-crises>

ROMANIA ADMITS TO FLAWS IN TIMBER TRACING SYSTEM

On 15 April, OCCRP reported that Romania’s Environment Ministry has admitted to “imperfections” in its electronic timber tracing system, confirming the same pattern of abuses that an OCCRP investigation revealed. The tracking system, known as SUMAL, collects details on all of the lumber cut in Romania and requires truck drivers to submit photos of every haul they transport.

<https://www.occrp.org/en/daily/18658-romania-admits-to-flaws-in-timber-tracing-system>

GIBRALTAR FIU PUBLISHES ITS LATEST ANNUAL REPORT FEATURING STRATEGIC ANALYSIS

On 15 April, the FIU published the Annual Report for the year 2023. This comprehensive report covers the efforts and impactful initiatives undertaken by the FIU throughout the preceding year, offering insights into the unit's key role in combating money laundering, terrorist financing, proliferation financing and other criminal conduct. It features a section on Strategic Analysis that compares data from 2022 and 2023.



<https://www.gibraltar.gov.gi/press-releases/gibraltar-financial-intelligence-unit-publishes-its-latest-annual-report-featuring-strategic-analysis-2642024-9812>

<https://www.gfiu.gov.gi/uploads/docs/publications/GFIU%20Annual%20Report%20&%20Strategic%20Analysis%202023.pdf>

UK: MILLIONAIRE LANDLADY JAILED FOR MODERN SLAVERY OFFENCES FORCED TO PAY £200,000 TO VICTIM

On 11 April, a news release from the CPS advised that a landlady who was jailed for keeping a vulnerable woman in domestic servitude has had to sell a property to pay the victim back almost £200,000.

<https://www.cps.gov.uk/cps/news/millionaire-landlady-jailed-modern-slavery-offences-forced-pay-ps200k-victim>

EVERSHEDS SUTHERLAND'S LEGAL GUIDE TO NAVIGATING ARTIFICIAL INTELLIGENCE (AI)

On 15 April, the law firm published this guide offering what is describes as bite-sized, Board-level insights on the key legal issues raised around responsible AI and ethics, cybersecurity, data privacy, employment, IP, contracts and procurement and disputes. It also covers specific regulations to be aware of in the US, UK, Europe and China.

<https://ezine.eversheds-sutherland.com/legal-issues-around-ai/>

2 ARRESTED IN SPAIN MONEY LAUNDERING PROBE LINKED TO VENEZUELAN GOVERNMENT

On 6 April, Swissinfo reported that Spanish police had arrested 2 people and raided several homes in Madrid as part of an investigation into suspected money laundering linked to the Venezuelan government. The suspects are said to be linked to the Venezuelan government for alleged crimes of money laundering, international bribery and criminal association.

<https://www.swissinfo.ch/eng/two-arrested-in-spain-money-laundering-probe-linked-to-venezuelan-government/75130296>

LEBANON'S BILLIONAIRE PRIME MINISTER DENIES ALLEGATIONS OF MONEY LAUNDERING IN FRANCE

On 4 April, ABC News reported that the caretaker prime minister Najib Mikati has denied allegations of money laundering after a complaint was filed in France by 2 anti-corruption groups.

<https://abcnews.go.com/International/wireStory/lebanons-billionaire-prime-minister-denies-allegations-money-laundering-108838398>

Differences Between Invoice Fraud and Payment Diversion Fraud

The fraudster sends a fake invoice resembling a valid request, hoping for unquestioned processing.	Process	Posing as a senior official or trusted associate, instructing the finance team via email to send a valid payment to a fraudulent account.
Trick a company into paying for non-existent goods/services or overspending on provided ones by altering invoice details.	Purpose	Redirect pending payments to a fraudster's account by deceiving the company.
Key elements are counterfeit invoices, modified banking details on real invoices, or overcharged real invoices.	Elements	Impersonation through email, compromised accounts, and fake payment instructions are key elements.
Features might include premium forged invoices, similar email addresses, and false bank detail changes on invoices.	Features	Tactics often involve urgent secret emails and spoofed addresses impersonating executives or reliable vendors.



https://www.linkedin.com/posts/stoyan-lozanov-744b4047_aml-fraud-compliance-activity-7185577600465911809-ffSt

OFAC TARGETS BELARUSIAN SANCTIONS EVASION NETWORKS AND COGS IN RUSSIA'S WAR MACHINE

On 15 April, OFAC advised that it was designating 12 entities and 10 individuals. It is said that this action builds on US sanctions imposed in response to Belarus's fraudulent August 2020 election, as well as support for Russia's illegal full-scale invasion of Ukraine. The individuals and entities OFAC targeted include 6 revenue-generating state-owned enterprises (SOE) and 1 entity and 5 individuals involved in facilitating transactions for a US-designated major Belarusian defence sector enterprise. OFAC is additionally targeting 5 entities and 5 individuals involved in a global arms network doing business with a US-designated Belarusian defence company.

<https://ofac.treasury.gov/recent-actions/20240415>

<https://home.treasury.gov/news/press-releases/jy2251>

OFAC: VENEZUELA-RELATED GENERAL LICENSE

On 15 April, OFAC advised of General License 50 (Authorizing Certain Transactions Related to the Petróleos de Venezuela, S.A. 2020 8.5 Percent Bond on or After August 13, 2024).

<https://ofac.treasury.gov/media/932811/download?inline>

ENVIRONMENTAL IMPACTS OF UNDERGROUND NUCLEAR WEAPONS TESTING

On 7 March, the Bulletin of the Atomic Scientists made this article available (for a limited time). Atmospheric nuclear tests prevailed until the early 1960s, with bombs tested by various means: aircraft drops, rocket launches, suspension from balloons, and detonation atop towers above ground. Between 1945 and 1963, the Soviet Union conducted 219 atmospheric tests, followed by the US (215), UK (21), and France (3). It notes that North Korea stands as the only country to have tested nuclear weapons in the 21st Century. Considering the lasting impact of the tests, the article concludes, in part, that nearly 3 decades after the 5 nuclear-armed states under the CTBT stopped testing nuclear weapons both in the atmosphere and underground, the effects of past tests persist in various forms — including environmental contamination, radiation exposure, and socio-economic repercussions — which continue to impact populations at and near closed nuclear test sites.

<https://thebulletin.org/premium/2024-03/environmental-impacts-of-underground-nuclear-weapons-testing>

FinCEN: NOTICE ON THE USE OF COUNTERFEIT US PASSPORT CARDS TO PERPETRATE IDENTITY THEFT AND FRAUD SCHEMES AT FINANCIAL INSTITUTIONS

On 15 April, a news release from FinCEN advised that it had issued a Notice to financial institutions on fraud schemes related to the use of counterfeit US passport cards. The Notice provides an overview of typologies associated with U.S. passport card fraud, highlights select red flags to assist financial institutions in identifying and reporting suspicious activity, and reminds financial institutions of their reporting requirements under the Bank Secrecy Act.

<https://www.fincen.gov/news/news-releases/fincen-issues-notice-use-counterfeit-us-passport-cards-perpetrate-identity-theft>

https://www.fincen.gov/sites/default/files/shared/FinCEN_Notify_Counterfeit_US_Passport_FINAL508.pdf

<https://www.amlintelligence.com/2024/04/news-fincen-doj-warn-banks-on-massive-increase-in-fraud-using-fake-us-passport-cards/>

U.S. Passport Card

The U.S. passport card is a REAL ID compliant identity and travel document issued by the U.S. Department of State for use by U.S. citizens. It can be used for purposes of identity, proof of U.S. citizenship, domestic air travel, and land and sea border crossings into the United States from Canada, Mexico, the Caribbean, and Bermuda. The U.S. Department of State began issuing the passport card in July 2008 as an alternative travel document to the U.S. passport book. The passport card provides a less expensive, smaller, and convenient alternative to the U.S. passport book for those who travel frequently to these destinations by land or by sea.⁹

UKRAINE COURT AFFIRMS DESIGNATION OF FORMER MINISTER & CONFISCATION OF HIS ASSETS

On 15 April, the Global Sanctions blog reported that a court had upheld actions against the former Minister of Education and Science, Dmytro Tabachnyk, who is said to be the Russian-occupied territories.

<https://globalsanctions.co.uk/2024/04/ukraine-court-affirms-designation-of-former-minister-confiscation-of-his-assets/>

OFAC DE-LISTS DECEASED BOSNIAN BUSINESSMAN & ENGINEERING COMPANY

On 15 April, the Global Sanctions blog reported that OFAC had delisted recently deceased Bosnian businessman, Slobodan Stankovic, and his engineering company, Integral Inzenjering.

<https://globalsanctions.co.uk/2024/04/ofac-de-lists-deceased-bosnian-businessman-engineering-firm/>

IRAN'S MISSILE PROGRAM: PAST AND PRESENT

In the wake of recent events, Iran Watch readvertised its June 2020 Background Report which traces the history of Iran's missile effort, with a focus on their role as a nuclear weapon delivery vehicle. It provides an overview of (then) Iran's current capabilities, identifies key entities supporting the effort, explains where Iran has found foreign help, and reviews efforts to hinder progress.

<https://www.iranwatch.org/our-publications/weapon-program-background-report/history-irans-ballistic-missile-program>

UK: ORDER TO AMEND LEGISLATION AFTER ECHR RULING ON CONFIDENTIAL JOURNALISTIC MATERIAL

This Order replaces section 154 of the Investigatory Powers Act 2016 and creates a new s.154A to introduce enhanced safeguards relating to the use of criteria for the selection for examination of, and retention of, items subject to protections for confidential journalistic material (CJM) and sources of journalistic material (SJM) derived from material acquired through bulk interception. Changes made by the Order are in response to the May 2021 judgment in *Big Brother Watch and Others v UK* at the Grand Chamber of the European Court of Human Rights (ECtHR), which found a violation of Article 10 of the European Convention on Human Rights (ECHR) in the previous bulk interception regime under the Regulation of Investigatory Powers Act 2000 (RIPA) due to the lack of prior independent authorisation.

https://www.legislation.gov.uk/uksi/2024/514/pdfs/uksi_20240514_en.pdf

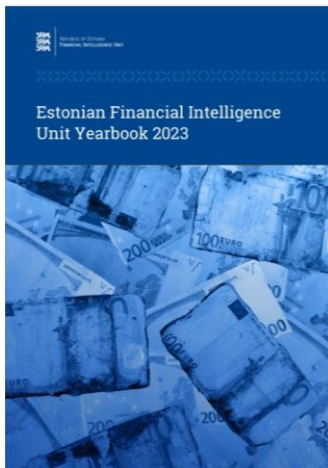
UK: ACCOUNTANCY FIRMS FINED £2.28 MILLION IN AML CLAMPDOWN

On 15 April, accounting Web reported on how HMRC has handed out fines totalling £2.28 million to businesses found to have breached money laundering regulations, with accountancy service providers (ASP) responsible for £371,485. Of the 408 supervised businesses named by HMRC fined between 1 April and 30 September 2023, a total of 105 were accountancy service providers (ASP).

<https://www.accountingweb.co.uk/practice/general-practice/accountancy-firms-hit-in-ps228m-aml-clampdown>

ESTONIAN FIU YEARBOOK 2023

The Estonian FIU has issued an English version of its report on 2023, a year that included a MONEYVAL report on Estonia. One of the points made is that the greatest threat to Estonia is the layering of foreign proceeds of crime through Estonia; also noting that fraud continues to be the most common predicate offence for money laundering.



<https://fiu.ee/sites/default/files/documents/2024-04/Estonian%20Financial%20Intelligence%20Unit%20Yearbook%202023.pdf>

EDPS ANNUAL REPORT: DATA PROTECTION AND ADAPTABILITY IN A CHANGING WORLD

On 9 April, the European Data Protection Supervisor published its latest annual report.



https://www.edps.europa.eu/system/files/2024-04/EDPS-2024-07-Annual-Report-2023_EN.pdf
https://www.edps.europa.eu/data-protection/our-work/publications/annual-reports/2024-04-09-annual-report-2023-adaptability-changing-world_en

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