

19 April 2024

US TO REDUCE EXPORT LICENSING BY 80% FOR UK, AUSTRALIA TO BOOST AUKUS MILITARY PACT

On 18 April, Reuters reported that the Commerce Department is scaling back export control requirements for Australia and the UK to foster defence trade under the 3 countries' AUKUS security pact, reducing licensing burdens for trade valued at more than \$7.5 billion. A new rule allows Commerce-controlled military items, missile technology and hot engine items to be exported to Australia and the UK without a licence, including certain satellite related items.

<https://www.reuters.com/world/us-reduce-licensing-by-80-uk-australia-boost-aukus-2024-04-18/>

FATF: MINISTERS COMMIT TO STEPPING UP EFFORTS TO FIGHT MONEY LAUNDERING, TERRORIST AND PROLIFERATION FINANCING

On 18 April, FATF announced that a biennial meeting of ministers reaffirmed their unwavering commitment to combat financial crime, and fully support the FATF as the global standard-setter for preventing and combatting money laundering, terrorist financing and the financing of the proliferation of WMD.

<https://www.fatf-gafi.org/en/publications/Fatfgeneral/FATF-Ministers-commit-to-step-up-AML-CFT-CPF.html>

NIGERIA: FEDERAL HIGH COURT HAS ACQUITTED FORMER ATTORNEY-GENERAL OF THE FEDERATION AND MINISTER OF JUSTICE, MOHAMMED ADOKE, OF MONEY LAUNDERING CHARGES

On 19 April, Punch reported that the judge ruled that the second defendant in the case has to open his defence because he has a case to answer.

<https://punchng.com/breaking-court-clears-ex-agf-adoke-of-money-laundering-charges/>

AFRICAN DEVELOPMENT BANK AND THE INTER-GOVERNMENTAL ACTION GROUP AGAINST MONEY LAUNDERING IN WEST AFRICA (GIABA) HAVE LAUNCHED A 3-YEAR SUPPORT PROJECT TO COMBAT MONEY LAUNDERING AND TERRORISM FINANCING IN THEIR MEMBER COUNTRIES

On 19 April, Tech Africa reported that the project will be backed by a \$5 million grant from the African Development Bank Group.

<https://www.techafrikanews.com/2024/04/19/african-development-bank-and-giaba-launch-project-to-combat-money-laundering-in-west-africa/>

CHINA IS A THREAT TO EUROPE'S GUNPOWDER SUPPLY

On 19 April, Politico reported that SAAB CEO cautions that China dominates supplies of a key component to make powder to fire shells, and metal for submarines and warships. China plays a key role in supplying EU countries with the raw materials they need for their defence industries.

<https://www.politico.eu/article/saab-ceo-warns-against-reliance-china-make-weapons-europe/>

UK: GAMBLING REGULATION - GOVERNMENT RESPONSE TO REPORT

On 19 April, the House of Commons published the Government's response to a Committee report on gambling regulation. The report, which was published in December, concluded that the Government should take a more precautionary approach to advertising than that proposed in the gambling White Paper and that there was scope for further regulation. It also called on the Premier League and other sports governing bodies to commit to cutting the volume of gambling adverts in stadiums and urged the Government to do more to minimise children's exposure to gambling advertising.

<https://committees.parliament.uk/committee/378/culture-media-and-sport-committee/news/200991/gambling-regulation-culture-media-and-sport-committee-publishes-government-response-to-report/>

US: IMPORTER SUSPECTED OF EVADING THE ANTI-DUMPING DUTY ON XANTHAN GUM FROM CHINA BY TRANSHIPPING IT THROUGH ISRAEL

On 19 April, Sandler Travis Rosenberg reported on a US Customs and Border Protection determination. The gum a common food additive, and is an effective thickening agent and stabiliser that prevents ingredients from separating.

<https://www.strtrade.com/trade-news-resources/str-trade-report/trade-report/april/import-restrictions-imposed-on-xanthan-gum-in-duty-evasion-case>

US: ENVIRONMENTAL PROTECTION AGENCY ACCUSES A CALIFORNIA CORPORATION OF ATTEMPTING TO ILLEGALLY IMPORT MORE THAN 17 TONS OF HYDROFLUOROCARBONS (HFC) GASES

On 19 April, Sandler Travis Rosenberg reported that actions illustrate that the EPA *"is using every enforcement tool available to hold companies accountable for the illegal importation of refrigerants that damage our climate and imperil future generations"*.

<https://www.strtrade.com/trade-news-resources/str-trade-report/trade-report/april/imports-of-illegal-hfcs-are-focus-of-continued-epa-enforcement>

GERMANY ARRESTS 10 FOR ILLICITLY PROVIDING RESIDENCE PERMITS TO WEALTHY FOREIGNERS

On 18 April, OCCRP reported on an ongoing operation against a group led by 2 lawyers who helped wealthy foreigners obtain immigration papers illicitly in exchange for thousands of euros. Clients paid between €30,000 and €350,000 to the lawyers, who then created fictitious companies to employ the clients and issued them salaries on paper. This facilitated their acquisition of residence permits in Germany.

<https://www.occrp.org/en/daily/18666-germany-arrests-10-for-illicitly-providing-residence-permits-to-wealthy-foreigners>

CYPRUS: "SERIOUS ISSUES" CONCERNING THE CONSTRUCTION OF AN EU-FUNDED NATURAL GAS IMPORT TERMINAL

On 18 April, OCCRP reported that the Cyprus' Audit Office had reported "serious issues" to the European Public Prosecutor's Office (EPPO).

<https://www.occrp.org/en/daily/18665-cypriot-auditors-report-to-eu-prosecutor-irregularities-plaguing-eu-funded-project>

ESWATINI SHIPPING REGISTRY FLAGGED AS 'FALSE' OPERATION BY IMO

On 18 April, Lloyds List reported that the opaque status of government authorisation for the start-up flag registry of Eswatini has prompted the International Maritime Organization to designate it a fraudulent operation, despite claims from the private company running the flag that it is a legitimate business.

<https://www.lloydslist.com/LL1148912/Eswatini-shipping-registry-flagged-as-false-operation-by-IMO>

BRAZIL: PCC GANG WADES INTO MUNICIPAL CONTRACTS GAME

On 16 April, Insight Crime reported that a spate of arrests targeting politicians with gang links in the Brazilian state of São Paulo illustrates the ongoing evolution of the country's largest criminal network, and suspected bid-rigging in favour of companies connected to the PCC.

<https://insightcrime.org/news/brazil-pcc-municipal-contracts-arrests/>

ECUADOR: JUDICIARY IS STRUGGLING TO STOP WELL-CONNECTED CRIMINALS FROM TURNING LEGAL SAFEGUARDS MEANT TO PROTECT CIVIL RIGHTS INTO LOOPHOLES FOR ESCAPING JUSTICE

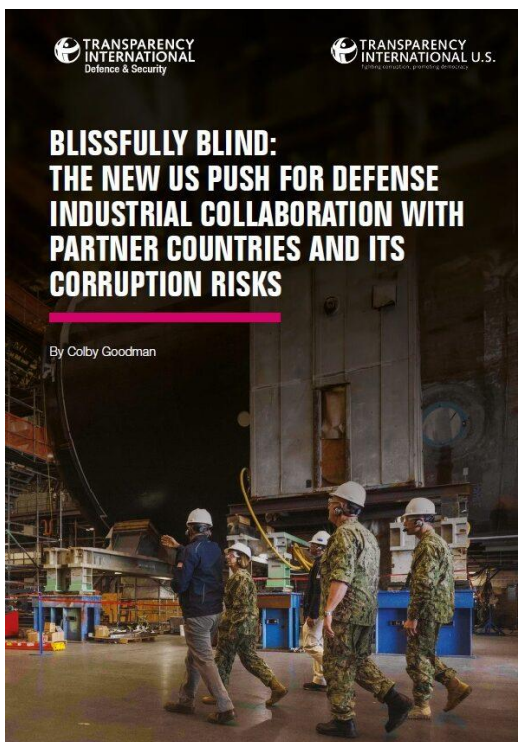
On 17 April, Insight Crime reported that, in early April, prosecutors ordered the arrest of 14 judges, lawyers, judicial officials, and police accused of colluding with high-level criminals. It is alleged that

some judges were letting off criminals convicted of serious crimes by using due process guarantees like the right to a speedy trial (*habeas corpus*) and an adequate defence, as well as other rights like the right to medical treatment.

<https://insightcrime.org/news/ecuador-elites-skirt-justice/>

NEW RESEARCH WARNS THAT THE US IS IGNORING POTENTIALLY DANGEROUS CORRUPTION RISKS AROUND OPAQUE DEFENCE CONTRACT PAYMENTS ('OFFSETS')

On 11 April, a report from Transparency International contains warnings about the use of offsets – financial sweeteners added to overseas arms sales in addition to the military hardware the country receives.



<https://ti-defence.org/blissfully-blind-security-risks-defence-contract-offset/>

<https://ti-defence.org/wp-content/uploads/2024/04/Blissfully-Blind-US-Push-for-Defense-Industrial-Collaboration-WEB-3.pdf>

WORLD-FIRST "CYBERCRIME INDEX" RANKS COUNTRIES BY CYBERCRIME THREAT LEVEL

On 10 April, the University of Oxford announced the first-ever 'World Cybercrime Index', which identifies the globe's key cybercrime hotspots by ranking the most significant sources of cybercrime at a national level. The World Cybercrime Index has been developed as a partnership between the University of Oxford and UNSW and has also been funded by CRIMGOV, an EU-supported project based at the University of Oxford and Sciences Po.

CYBERCRIME INDEX

Ranking countries by cybercrime threat level

Ranking	Country	WCI score	Ranking	Country	WCI score
1	Russia	58.39	11	Iran	4.78
2	Ukraine	36.44	12	Belarus	3.87
3	China	27.86	13	Ghana	3.58
4	United States	25.01	14	South Africa	2.58
5	Nigeria	21.28	15	Moldova	2.57
6	Romania	14.83	16	Israel	2.51
7	North Korea	10.61	17	Poland	2.22
8	United Kingdom	9.01	18	Germany	2.17
9	Brazil	8.93	19	Netherlands	1.92
10	India	6.13	20	Latvia	1.68

<https://www.ox.ac.uk/news/2024-04-10-world-first-cybercrime-index-ranks-countries-cybercrime-threat-level>

<https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0297312>

SLOVENIA: PROSECUTION SEEKS JUDICIAL INVESTIGATION INTO FORMER AML CHIEF

On 19 April, STA reported that the Specialised State Prosecutor's Office has asked for a judicial investigation into Damjan Žugelj, a former director of the Office for the Prevention of Money Laundering, and another 5 individuals who are suspected of abuse of office.

<https://english.sta.si/3291725/prosecution-seeks-judicial-investigation-into-former-anti-money-laundering-chief>

SANCTIONS REIMPOSED ON VENEZUELA

On 19 April, Insurance Marine News reported that the Biden administration has reimposed oil sanctions on Venezuela, in response to the failure of President Nicolás Maduro to fulfil his promise to arrange free and fair elections in the country. US companies with investments in Venezuela have

45 days to wind down their operations. The action by the US administration ends a 6-month reprieve agreed in October.

<https://insurancemarineneews.com/insurance-marine-news/sanctions-reimposed-on-venezuela/>

JERSEY: FEEDBACK FROM AN EXAMINATION OF SUPERVISED PERSONS' RELIANCE ON OBLIGED PERSONS

On 18 April, the FSC said that, in 2023 it assessed the extent to which supervised persons had complied with their obligations relating to reliance on obliged persons. It has now published feedback from this examination, including an anonymised summary of the key findings and relevant good practice for the benefit of all supervised persons.

<https://www.jerseyfsc.org/news-and-events/read-our-feedback-from-our-examination-of-supervised-persons-reliance-on-obliged-persons/>

VIDEO: UNPACKING THE TRAVEL RULE FOR VIRTUAL ASSET SERVICE PROVIDERS (VASP)

On 18 April, the Jersey FSC released a video in which its VASP Supervision senior manager and Innovation Hub senior advisor discussed the recently published 'travel rule guidance note', answering frequently asked questions. In September, Jersey brought in legislation to extend the existing Wire Transfer Regulations to apply to VASP. Its aim, to bring virtual asset transaction regulation in line with traditional finance and align it with FATF Recommendation 15 which requires VASP to collect specific due diligence on virtual asset transfers. This requirement for VASP is known as the "travel rule".

<https://www.jerseyfsc.org/news-and-events/watch-unpacking-the-travel-rule-for-virtual-asset-service-providers-vasps/>

GUERNSEY: SANCTIONS INFORMATION UPDATED

On 18 April, the Guernsey FSC said that it had enhanced the sanctions-related information on its website with the addition of guidance on challenging designations and obtaining assistance with the unfreezing of funds. Standard forms are also now available on the website in relation to the making of reports, challenging designations and making designation proposals.

<https://www.gfsc.gg/news/sanctions-guidance-and-standard-forms>

AUSTRALIA CREATES NEW CRIMINAL OFFENCES FOR EXPORTING MILITARY GOODS

On 19 April, the Global Sanctions blog reported on 3 new offences on the export of certain goods and services, including the supply of goods and technology that was previously exported or supplied from Australia.

<https://globalsanctions.co.uk/2024/04/australia-creates-new-criminal-offences-for-exporting-military-goods/>

OFAC DESIGNATES ENTITIES INVOLVED IN RAISING FUNDS FOR VIOLENT EXTREMISTS IN THE WEST BANK

On 19 April, OFAC announced that it had imposed sanctions on 2 entities - Mount Hebron Fund and Shlom Asiraich - for their roles in establishing fundraising campaigns on behalf of Yinon Levi and David Chai Chasdai, 2 violent extremists who were themselves sanctioned on 1 February in connection with violence in the West Bank. Ben-Zion GOPSTEIN was also added to sanctions lists.

<https://home.treasury.gov/news/press-releases/jy2281>

<https://ofac.treasury.gov/recent-actions/20240419>

<https://www.state.gov/designations-related-to-destabilizing-activities-affecting-the-west-bank/>

NON-EU COUNTRIES ALIGN WITH EU HUMAN RIGHTS & TERRORISM SANCTIONS

On 19 April, the Global Sanctions blog reported on the non-EU European states had aligned with EU Russia/Belarus and ISIL/Al-Qaida sanctions changes.

<https://globalsanctions.co.uk/2024/04/non-eu-countries-align-with-eu-human-rights-terrorism-sanctions/>

OFAC SANCTIONS – NEW CHINESE DESIGNATIONS AND ENTRY FOR MINSK WHEEL TRACTOR PLANT AMENDED

On 19 April, OFAC advised that TIANJIN CREATIVE SOURCE INTERNATIONAL TRADE CO LTD and XI'AN LONGDE TECHNOLOGY DEVELOPMENT COMPANY LIMITED had been added to sanctions lists, and the entry for the MINSK WHEEL TRACTOR PLANT in Belarus had its entry amended.

<https://ofac.treasury.gov/recent-actions/20240419>

SETTLEMENT AGREEMENT BETWEEN THE OFAC AND SCG PLASTICS

On 19 April, the US Treasury advised of a settlement with SCG Plastics Co. Ltd, part of a multinational enterprise headquartered in Bangkok, Thailand. SCG Plastics has agreed to pay \$20,000,000 to settle its potential civil liability for 467 apparent violations of OFAC sanctions on Iran.

<https://ofac.treasury.gov/media/932841/download?inline>

<https://ofac.treasury.gov/media/932836/download?inline>

INDIA: YES BANK FOUNDER RANA KAPOOR GETS BAIL AND LEAVES JAIL AFTER 4 YEARS

On 19 April, Business Standard reported that Yes Bank founder Rana Kapoor had been released from a prison, hours after being granted bail by a court in an alleged loan fraud case. He was arrested in 2020 but has yet to face trial.

https://www.business-standard.com/companies/news/yes-bank-founder-rana-kapoor-gets-bail-walks-out-of-jail-after-4-years-124041901285_1.html

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