

3 May 2024

### **EU: THE DELISTING OF ABR ARVAN, THE IRANIAN CLOUD TECHNOLOGY COMPANY SANCTIONED IN 2022 FOR HUMAN RIGHTS VIOLATIONS RELATED TO INTERNET CENSORSHIP**

On 2 May, a Commentary from the Carnegie Endowment for International Peace commented on the removal from the EU sanctions list, and says that action has created a concerning and puzzling precedent. It notes that the removal included no reasoning for the reversal of the 2022 decision. It argues that the EU has sent a troubling message about its willingness to hold the Iranian state and those who support it to account for their repressive actions.

<https://carnegieendowment.org/2024/05/02/hard-questions-about-eu-lifting-sanctions-on-iranian-tech-company-pub-92363>

### **UK: REGISTER OF OVERSEAS ENTITIES - APPROACH TO ENFORCEMENT**

On 1 May, Companies House updated its guidance on how it will use its enforcement powers in relation to the Register of Overseas Entities; adding updates to the section 'How we determine a penalty', as the process has changed.

<https://www.gov.uk/government/publications/register-of-overseas-entities-approach-to-enforcement/register-of-overseas-entities-approach-to-enforcement>

### **US COURT GRANTS JPMORGAN ANTI-SUIT INJUNCTION AGAINST VTB IN ASSET FREEZE CASE**

On 3 May, the Global Sanctions blog reported that the court had ordered VTB Bank to immediately discontinue its proceedings in Russia and cease all efforts to enforce the freezing order granted by the Russian court.

<https://globalsanctions.co.uk/2024/05/us-court-grants-jpmorgan-anti-suit-injunction-against-vtb-in-sanctions-case/>

### **ENVIRONMENTAL CRIME CAUSED BY ILLEGAL MINING IN CENTRAL AFRICA**

On 5 March, ENACT Africa publishing a briefing on the environmental impact of illegal mining in Central Africa and what could be done about it.

[https://enact-africa.s3.amazonaws.com/uploads/pages/1711350737009-policy%20brief\\_31\\_2.pdf](https://enact-africa.s3.amazonaws.com/uploads/pages/1711350737009-policy%20brief_31_2.pdf)

### **EVALUATING THE EFFECTIVENESS OF MUTUAL LEGAL ASSISTANCE AND EXTRADITION IN AFRICA**

On 20 March, a paper from ENACT Africa proposed amendments to the assessment criteria to determine the effectiveness of mutual legal assistance and extradition.

<https://enact-africa.s3.amazonaws.com/uploads/pages/1710926630501-research-paper-43.pdf>

### **WILL THE AFRICAN UNION BAN END THE EAST AFRICAN DONKEY SKIN TRADE?**

On 29 April, ENACT Africa posed this question following the ban imposed in February. The problem is caused by a rising demand from China for the gelatine extracted from donkey skins, popularly known as *ejiao* – a traditional Chinese “medicine” believed to cure a range of illnesses.

<https://enactafrica.org/enact-observer/will-the-african-union-s-new-ban-end-the-gruesome-donkey-skin-trade>

### **ART MONEY LAUNDERERS FACE EXPANDING REGULATORY CANVAS**

An article from the Wall Street Journal and Deloitte on 1 May says that regulators and law enforcement across jurisdictions are cracking down on potential money laundering through art and antiquities sales. It is said that, like other commodities, artwork can be used to launder the proceeds of narcotics trafficking, embezzlement, insider trading, illegal gambling, and other crimes; and that the art market is vulnerable to trade-based money laundering. It lists several proactive steps those involved can take to mitigate risks related to art money laundering.

<https://deloitte.wsj.com/riskandcompliance/art-money-launderers-face-expanding-regulatory-canvas-091ee7aa>

### **TD BANK PROBE TIED TO LAUNDERING OF ILLICIT FENTANYL PROFITS**

On 2 May, the Wall Street Journal reported that the Canadian bank is facing 3 separate US probes into its AML controls, and that a DoJ investigation focuses on how Chinese crime groups and drug traffickers used the Canadian lender to launder money from US fentanyl sales.

<https://www.wsj.com/articles/td-bank-probe-tied-to-laundering-of-illicit-fentanyl-profits-aae71243>

### **DO UK AML PROVISIONS HINDER INVESTMENTS IN OVERSEAS MEDICAL CANNABIS COMPANIES?**

On 1 May, an article from Capital Law asked this question. It refers to the “Spanish bullfighting” scenario, saying that even if a medicinal cannabis product is legal in another country, it does not follow that returns from investing in the enterprise producing it there would be legal in the UK. This remains the case, even where the beneficiary of the investment has nothing to do with recreational cannabis products. Revenues and returns on investments could be considered to represent criminal property given cannabis’ status under UK law.

<https://www.capitallaw.co.uk/news/2024/05/01/do-uk-anti-money-laundering-provisions-hinder-investments-in-overseas-medical-cannabis-companies/>

### **LITHUANIA IS A GATEWAY FOR SANCTIONED SHIPMENTS TO RUSSIA**

On 3 May, LRT reported on an investigation that found that at least €130 million worth of dual-use goods have been shipped through Lithuania to Russia since the start of the Ukraine invasion. The shipments are routed via countries such as Kazakhstan, Kyrgyzstan, and Uzbekistan. Lithuanian companies involved in the exports claim that they did not know that the dual-use goods and technologies would eventually end up in Russia.

<https://www.lrt.lt/en/news-in-english/19/2263805/lithuania-is-a-gateway-for-sanctioned-shipments-to-russia-lrt-investigation>

### **BOEING'S LATEST TROUBLE AS ENGINE PART CAUGHT UP IN RUSSIA SANCTIONS**

On 3 May, the Wall Street Journal reported that Boeing cannot deliver enough 787 Dreamliners after sanctions disrupted production of heat exchangers.

<https://www.wsj.com/business/boeing-787-dreamliner-parts-russia-sanctions-0bda270b>  
<https://www.livemint.com/companies/boeings-latest-trouble-is-a-jet-part-caught-up-in-russia-sanctions-11714737422723.html>

### **THE GHANA COCOA BOARD (COCOBOD) HAS INTENSIFIED THE WAR AGAINST ILLICIT ACTIVITIES OF COCOA SMUGGLING SYNDICATES**

On 3 May, the Ghana-based Daily Guide Network carried an article saying that COCOBOD has intensified the fight against cocoa smuggling syndicates with support from the State's security agencies.

<https://dailyguidenetwork.com/cocobod-clamp-down-smuggling-syndicate/>

### **UK: 6 ISRAELI NAMES ADDED TO HUMAN RIGHTS SANCTIONS LIST**

On 3 May, a Notice from HM Treasury advised that 4 individuals and 2 entities had been added to its global human rights sanctions list.

[https://assets.publishing.service.gov.uk/media/6634d3f174933dccbbb6c24e/Notice\\_Global\\_Human\\_Rights\\_030524.pdf](https://assets.publishing.service.gov.uk/media/6634d3f174933dccbbb6c24e/Notice_Global_Human_Rights_030524.pdf)

### **AUSTRALIA TO FAST-TRACK SOME PRIVACY & E-SAFETY REFORMS**

On 3 May, an article from Bird & Bird said that the Australian Government had announced that some of the (agreed in-principle) proposed changes to the Privacy Act 1988 will be fast-tracked to be put to Parliament in August. A brief summary of each of the proposals (as set out in the Privacy Act Review)

is set out in the article. The proposals include outlawing the release of private information online with an intent to cause harm (known as *doxxing*), including by way of a statutory tort of privacy.

<https://www.twobirds.com/en/insights/2024/australia/australia-to-fast-track-some-privacy-esafety-reforms>

#### **FATF: UPDATED CONSOLIDATED AML/CFT EVALUATION ASSESSMENTS**

On 3 May, FATF published an updated consolidated schedule of all AML/CFT evaluation results to date, following the release of several new MONEYVAL reports – links to which are also provided.

<https://www.fatf-gafi.org/en/publications/Mutualevaluations/Assessment-ratings.html>

<https://www.fatf-gafi.org/en/publications.html>

<https://www.coe.int/en/web/moneyval/home/newsroom>

#### **UK: A REVIEW OF THE GAMBLING COMMISSION'S NEW SOURCE OF FUNDS GUIDANCE**

On 12 April, an article from Media Writes says that the Gambling Commission recently updated its change of corporate control (CoCC) and operating licence application pages with new guidance on when and what source of funds evidence is required in the context of those applications.

<https://mediawrites.law/weekend-long-read-a-review-of-the-gambling-commissions-new-source-of-funds-guidance/>

#### **CHINA: FRAUDSTER JAILED FOR 5 YEARS FOR BOTTLING FAKE LAFITE AND PETRUS WINES**

On 3 May, Decanter reported that, in China, the fraudster has received a 5-year prison sentence after he was caught with 786 bottles of counterfeit wine bearing prestigious labels such as Petrus.

<https://www.decanter.com/wine-news/chinese-fraudster-jailed-for-five-years-for-bottling-fake-lafite-and-petrus-528577/>

#### **APP FRAUD MANDATORY REIMBURSEMENT: UK PSR CONSULTS ON 'KEY' COMPLIANCE AND MONITORING REQUIREMENTS**

On 2 May, an article from Bird & Bird reported that, in April, the Payment Systems Regulator (PSR) published a consultation on the data and information that payment service providers (PSP) will be required to provide to Pay.UK to enable it to monitor effectively compliance with the new Faster Payments Scheme (FPS) reimbursement rules for APP fraud.

<https://www.engage.hoganlovells.com/knowledgeservices/viewContent.action?key=Ec8teaJ9Vap9%2Brm%2BcSkAz17eOOGbnAEFKLORG72fHz0%2BNbpi2jDfaB8lgiEyY1JAvAvaah9lF3dzoxprWhl6w%3>



### **SOUTH AFRICA: ACCESS TO THE BENEFICIAL OWNERSHIP REGISTER**

On 2 May, an article from CMS Law is concerned with the requirements to keep beneficial ownership information and, in certain circumstances, to file such information with authorities.

<https://cms-lawnow.com/en/ealerts/2024/05/access-to-the-beneficial-ownership-register>

### **BUSINESSES GET FRESH GUIDANCE ON EU-US PERSONAL DATA TRANSFERS**

On 3 May, an Out-Law article reported on the European Data Protection Board (EDPB) having clarified the requirements in a new information note on data transfers to the US under the EU General Data Protection Regulation (GDPR).

<https://www.pinsentmasons.com/out-law/news/businesses-guidance-eu-us-personal-data-transfers>

### **UK: THE TERRORGRAM COLLECTIVE HAS BEEN ADDED TO THE LIST OF PROSCRIBED ORGANISATIONS**

On 30 April, PNLD issued an alert about the proscription of Terrorgram, an online transnational network of extreme right-wing terrorists who produce and disseminate violent propaganda with the aim of radicalising readers and encouraging individuals to commit acts of terrorism.

<https://www.pnld.co.uk/article/?id=ebdd08ca-fa06-ef11-9f89-000d3a7fa3ca>

### **DRC SANCTIONS: UN CLARIFIES THAT MILITARY SUPPLIES TO DRC GOVERNMENT ARE EXEMPT FROM EMBARGO**

On 2 May, the UN reminded one that the provision of military equipment, arms, and related materiel, or any provision of assistance, advice or training related to military activities to the government of the Democratic Republic of the Congo are exempt from the ban imposed by UN Security Council Resolution 2667 (2022).

<https://press.un.org/en/2024/sc15689.doc.htm>

### **UK: POLICE AUTHORISED TO SEIZE CRIMINAL CRYPTO HOLDINGS WITHOUT ARRESTS**

On 26 April, Coin Telegraph reported that police can transfer seized illicit crypto to wallets controlled by the authorities, with victims able to reclaim funds from the accounts. It says that under new rules police can also seize items like passwords or memory sticks that could aid investigations. Law enforcement will also be able to eliminate a crypto asset if returning it to circulation is deemed detrimental to the public good.

<https://cointelegraph.com/news/uk-police-seize-criminal-crypto-without-arrests>

### **EU ENACTS CRYPTO REGULATIONS TO COMBAT MONEY LAUNDERING**

On 25 April, Coin telegraph reported that the new legislation would impact crypto-asset service providers, like centralised crypto exchanges under MiCA.

<https://cointelegraph.com/news/eu-crypto-regulations-combat-money-laundering>

### **TRADERS ARE GAMING THE NEW RUSSIAN METAL SANCTIONS**

On 17 April, Yahoo carried a Bloomberg article said that, the UK and US banned future sales of Russian aluminium, copper and nickel on the London Metal Exchange, traders had zeroed in on a way to make money off the convoluted new rules.

<https://finance.yahoo.com/news/traders-already-gaming-sanctions-russian-162329433.html>

### **PHILIPPINES FREEZES ASSETS OF NGO AND OFFICERS**

On 3 May, Rappler reported that banks had been ordered to freeze the accounts of Leyte Center for Development Inc, which has done disaster response work with the government and international partners. This was apparently due to allegations that the NGO had made available funds to the Communist Party of the Philippines (CPP-NPA), a designated terrorist organisation.

<https://www.rappler.com/nation/visayas/government-slaps-terrorist-designation-freezes-funds-development-ngo-officers-leyte/>

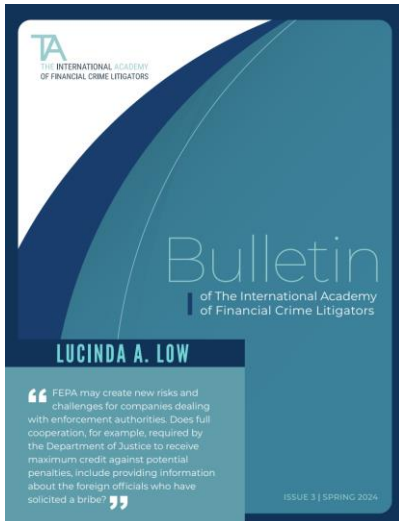
### **ISLE OF MAN GAMBLING SUPERVISION COMMISSION NEW WEBSITE**

The GSC has launched its new website, divided into gambling control and cannabis regulation sections.

<https://www.isleofmangsc.com/>

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

The Spring edition of the Bulletin of the International Academy of Financial Crime Litigators carried an article about this new US legislation, including a helpful chart comparing it to the FCPA and domestic bribery offences.



<https://edit.financialcrimelitigators.org/api/assets/46f2218c-c554-4e0a-9ce3-bccf96d3efcc.pdf>

#### **UK: AMENDMENT OF 1 ENTRY ON RUSSIA SANCTIONS LIST**

On 3 May, a Notice from HM Treasury advised that the existing entry for Sarvar ISMAILOV had been amended.

[https://assets.publishing.service.gov.uk/media/6634f0f68603389a07a6d0e8/Notice\\_Russia\\_030524.pdf](https://assets.publishing.service.gov.uk/media/6634f0f68603389a07a6d0e8/Notice_Russia_030524.pdf)

#### **OFAC DELETES 2 MALTA AVIATION COMPANIES AND 7 AIRCRAFT FROM RUSSIA SANCTIONS LIST**

On 3 May, OFAC advised that the Malta-based companies and Malta-registered aircraft had been removed from sanctions lists.

<https://ofac.treasury.gov/recent-actions/20240503>

#### **CURACAO COMPANY REACHES SETTLEMENT WITH DUTCH AUTHORITIES OVER SHIP ILLEGALLY EXPORTED FOR SCRAPPING**

On 1 May, Global Investigation Review reported that Curaçao-headquartered Seatrade has reached a settlement with Dutch prosecutors to resolve allegations that the shipping company illegally exported ships for scrapping more than a decade ago. It is to pay €5.6 million.

<https://globalinvestigationsreview.com/just-sanctions/article/shipping-group-pay-eu56m-resolve-dutch-environmental-export-case>



Cruise Ship

Grams of CO<sub>2</sub>e per passenger over 1km ▶ 250

Short-haul flight

246

Diesel car

171

Gas car

170

Medium-haul flight

151

Long-haul flight

147

Motorbike

113

Bus

96

68

Plug-in hybrid

47

Electric car

35

National rail

28

Tram

27

London Underground

19

Ferry

4.5

Eurostar Train



The Carbon Footprint of

# Major Travel Methods

Emissions will vary depending on energy mix, transport technology, and occupancy.

Source: Our World in Data, UK Government, Department for Energy Security and Net Zero, The International Council on Clean Transportation, as of December 2022.



Where Data Tells the Story



<https://www.visualcapitalist.com/the-carbon-footprint-of-major-travel-methods/>

### **PROSECUTORS SEEK TRIAL FOR ITALIAN MINISTER OVER ALLEGED FRAUD**

On 3 May, Yahoo News reported that Italian prosecutors said that they wanted to charge Tourism Minister Daniela Santanche for alleged benefit fraud at her former publishing company during the COVID pandemic.

<https://uk.news.yahoo.com/prosecutors-seek-trial-italian-minister-155552149.html>

### **IMF: RESOLVING OPAQUE BANK OWNERSHIP AND RELATED-PARTY EXPOSURES**

In January, the IMF published this Technical Guidance Note intended to provide advice to bank supervision and resolution authorities and policymakers seeking to deal with opaque bank ownership or significant overhang of related-party exposures.

<https://www.imf.org/-/media/Files/Publications/TNM/2024/English/TNMEA2024002.ashx>

On 29 April, the Tax Justice Network said that the Note fully aligns with the organisation's principles, describing the Note as a "welcome breath of fresh air". It also provided a table presenting a summary of its papers and proposals compared to extracts from the Note pointing to the same ideas.

<https://taxjustice.net/2024/04/29/the-imfs-paper-on-opaque-bank-ownership-is-fully-aligned-with-our-beneficial-ownership-policies/>

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