

The Financial Investigation Agency

DESIGNATED FINANCIAL INTELLIGENCE UNIT AND
ANTI-MONEY LAUNDERING/COUNTER FINANCING OF
TERRORISM (“AML/CFT”) SUPERVISORY AUTHORITY
FOR Non-Profit Organisations and Designated
Financial Businesses and Professions





AGENDA

- Role of the FIA relative to Sanctions enforcement.
 - Offences under the Russia (Sanctions) (EU Exit) Regulations 2019
 - Penalties for sanctions breaches
 - Questions
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Role of the FIA



- Receive and process SARs.
- Process requests for mutual legal assistance from relevant authorities in foreign jurisdictions.
- Receive and process other disclosures of information required to be made under any financial services legislation relevant to its functions.



Role of the FIA

- Publish Sanctions Notices in collaboration with the FSC and Office of the Governor.
- Responsible for conducting investigations into alleged sanctions breaches. Alleged breaches are normally referred by the Office of the Governor, FSC or industry practitioners.
- Power to ensure its supervised entities (NPOs and Designated Non-financial Businesses and Professions are taking steps to implement the sanctions.
- Power to conduct inspections of supervised entities including requesting copies of transactions and other records.
- Power to impose administrative penalties for non-compliance pursuant to the FIA Act and AML/CFT Code of Practice
- Option to refer matters to the Office of the DPP for prosecution.



Role of the FIA

- Process requests for beneficial ownership information received from UK LEAs, ITA and FSC
- Conducting screening in BOSSs against sanctions lists.
- Publish Sanctions Notices in collaboration with the FSC and Office of the Governor.
- Investigate alleged sanctions breaches.
- Conduct AML/CFT supervision of NPOs and Designated Non-financial Businesses and Professions.
- Power to conduct inspections of supervised entities including requesting copies of records including transactions records.
- Power to impose administrative penalties for non-compliance pursuant to the FIA Act and AML/CFT Code of Practice or refer matters to the DPP for prosecution.



Offences

The Russia (Sanctions) (EU Exit) Regulations 2019

Section 11: Assets Freeze

Dealing with funds or economic resources owned, held or controlled by a designated person.

Section 16: Dealing with transferable securities or money market instruments.

Dealing directly or indirectly with a transferrable security or money-market instrument. Money market instrument includes shares in a company.



Offences cont'd

Section 17: Loans and credit arrangements

'Prohibition against directly or indirectly granting loans for the benefit of designated persons.'

Section 19: Circumventing etc. prohibitions

'A person must not intentionally participate in activities knowing that the objective or effect, whether directly or indirectly is to circumvent any of the prohibitions in the regulations OR is to enable or facilitate the contravention of any prohibition.'



Penalties for sanctions breaches

On average, penalties range from:

‘Imprisonment for a term not exceeding 6 months, or a fine not exceeding £5,000 on summary conviction.’

‘Imprisonment for a term not exceeding 7 years, or a fine, or both on indictment.’

Circumventing trade sanctions have a term of imprisonment for as much as 10 years on conviction on indictment.

The End



QUESTIONS???

