

Treasury
Customs and Excise Division

Sanctions Notice 43

United Nations Sanctions

Yemen



November 2014
(updated to 3 April 2018)



Isle of Man
Government

Reilrys Ellan Vannin

About this Notice

This Notice draws attention in convenient form to measures designed to impose restrictive measures in respect of Yemen.

This Notice provides guidance on aspects of the measures having effect in the Isle of Man, and should be read in conjunction with any order or regulations giving effect to those measures in the Island.

The Treasury has appointed its Customs and Excise Division to act for the purpose of enforcing financial sanctions. Accordingly, certain powers have been delegated by the Treasury to the Division.

Enquiries concerning this Notice should be addressed to the address given below and marked for the attention of the Sanctions Officer.

The Sanctions Officer
The Treasury
Customs and Excise Division
PO Box 6
Custom House
North Quay
Douglas
Isle of Man
IM99 1AG

This Notice is provided for information purposes only, and its contents should not be taken as a definitive statement of the law. You are advised to seek independent legal advice if you believe you are affected by anything contained in this Notice.

For further information on sanctions in general, including how to deal with false positives, or when sanctions are lifted or persons delisted, see Sanctions Notice 26.

Sanctions Notice 32 deals with the granting of licences.

These Notices, and other information about sanctions and export and trade controls, may be found at -

<https://www.gov.im/categories/tax-vat-and-your-money/customs-and-excise/sanctions-and-export-control/>



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Direction

The Customs and Excise Division, as agent for the Treasury, **directs** that any funds held for or on behalf of the individuals or entities named in the published lists having effect in the Island must not be made available, except under the authority of a licence in writing from the Treasury.

Any funds should be blocked or frozen and the details reported to the Financial Intelligence Unit.

All persons in business or a profession in the Island, including financial institutions, **must** check whether they maintain any account, or otherwise hold or control funds or economic resources, for individuals or entities included in the lists and, if so, they should freeze the account, funds or economic resources and report their findings to the Financial Intelligence Unit.

Any person, entity or body with information that would facilitate compliance with the sanctions Regulation(s) **must** supply such information to the Financial Intelligence Unit and co-operate in any verification of the information.

Reports of accounts and amounts frozen should be made using THEMIS; however, if you do not have access to this reporting system, you should use the appropriate form on the FIU website.

Financial Intelligence Unit contact details

Financial Intelligence Unit
PO Box 51
Douglas
Isle of Man
IM99 2TD

Telephone: +44 1624 686000

Email: fiu@gov.im

Introduction

1. In the light of ongoing political, security, economic and humanitarian challenges, and ongoing violence in, Yemen, and attacks on civilians and infrastructure of Yemen, and against the legitimate authorities there, and attempts to undermine the political process of the country in February 2014 the United Nations reaffirmed its strong commitment to the unity, sovereignty, independence and territorial integrity of Yemen.
2. On 26 February 2014, the UN Security Council adopted Resolution 2140 (2014) which required all member states to freeze all funds, other financial assets and economic resources in their territories which were owned or controlled, directly or indirectly, by certain individuals or entities that were designated by the relevant Committee of Experts. The Resolution also required that states should ensure that no funds were made available to or for the benefit of designated persons or entities. A travel ban on designated persons and entities was also applied. The sanctions were to be in place

for an initial one year.

3. On 10 November 2014, the Sanctions Committee established by the UN for the purposes of Resolution 2140 issued a news release imposing an assets freeze and travel ban on 3 individuals, being the former Yemeni President, Ali Abdullah Saleh and 2 Houthi rebel commanders, following the rejection by Saleh of the country's newly formed government.

The same persons were also added to US sanctions lists on the same day.

- 3A. On 20 December 2014, Council Regulation (EU) No 1352/2014 came into force in the EU mirroring the UN sanctions and naming the same 3 individuals.
- 3B. On 20 January 2015, the European Union (Yemen Sanctions) Order 2015 [SD 2015/0034] came into operation. This Order applied Council Regulation (EU) No 1352/2014 in Island law from that date. At the same time the Yemen Sanctions Regulations 2015 [SD 2015/0035] came into operation, allowing for the enforcement of the sanctions, penalties, offences and licences.
- 3C. On 14 April 2015, the UN Security Council adopted UN SCR 2216 which imposed an arms embargo in respect of supplies to rebel forces and added to the persons subject to a travel ban and asset freeze. On 8 June 2015, the EU followed suit by means of Council Regulation (EU) No 2015/878, which amended Regulation 1352/2014 accordingly. The embargo imposed included a prohibition on the supply of "technical assistance" or financing or financial assistance relating to military activities, military and paramilitary material. The amendment also included as a criteria for imposing sanctions, any act obstructing the delivery or distribution of, or access to, humanitarian assistance in Yemen.
- 3D. On 22 June 2015, Regulation 2015/878 was applied in the Isle of Man by means of the European Union (Yemen Sanctions) (Amendment) Order 2015 [SD 2015/244]. At the same time, the Yemen Sanctions (Amendment) Regulations 2015 [SD 2015/245] made appropriate amendments to the Yemen Sanctions Regulations 2015.
- 3E. The Treasury or any other person authorised by the Treasury, such as the Financial Intelligence Unit can serve a written notice on anyone to whom the measures apply, requiring them to furnish them with any information in their possession or control, or produce any document in their possession or control, for the purpose of allowing the Treasury to ensure compliance with, or detect evasion of, the sanctions.

Failure to furnish such information or documents without reasonable excuse is an offence. Providing false information is also an offence, as is providing false information for the purposes of obtaining a licence (or failing to comply with any condition of the licence).

Funds and economic resources

4. For the purpose of the sanctions, "funds" means financial assets and benefits of every kind, including (but not limited to) -
 - cash, cheques, claims on money, drafts, money orders and other payment instruments;

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- deposits with financial institutions or other entities, balances on accounts, debts and debt obligations;
 - publicly- and privately-traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures and derivative contracts;
 - interest, dividends or other income or on value accruing from or generated by assets;
 - credit, right of set-off, guarantees, performance bonds or other financial commitments;
 - letters of credit, bills of lading, bills of sale;
 - documents evidencing an interest in funds or financial resources.
5. "Economic resources" means assets of every kind, whether tangible or intangible, movable or immovable, which are not funds but which may be used to obtain funds, goods or services.

Frozen accounts

6. All funds and economic resources belonging to, held or controlled by designated persons held by banks, building societies, stockbrokers, accountants etc must be frozen. No funds or economic resources may be made available to a designated person unless permitted by a licence from the Treasury, except that the following are permitted -
- adding to frozen accounts of interest or other earnings;
 - adding to frozen accounts payments due under contracts, agreements or obligations that arose or were concluded before the date on which the person was subject to sanctions in the Island;
 - adding to frozen accounts transfers from other sources.
7. Financial and credit institutions must notify the Financial Intelligence Unit immediately if they have a frozen account, and if they receive transfers from other sources into frozen accounts.

Licences

8. The Treasury may licence the release or the making available of funds or economic resources where -
- necessary for the basic needs of designated persons and their immediate family (including payments for foodstuffs, rent or mortgage, medicines and medical treatment, taxes, insurance premiums and public utility charges);
 - exclusively for reasonable professional fees or the reimbursement of expenses

incurred in connection with the provision of legal services;

- exclusively for payment of fees or service charges for the routine holding or maintenance of frozen funds or economic resources;
- for extraordinary expenses;
- exclusively to satisfy claims secured by a lien or judgment established prior to the date that the person involved became a designated person - but only if not for the benefit of a designated person and not contrary to public policy.

De-listing

9. Information about removal from the UN sanctions list may be found at <http://www.un.org/sc/committees/1267/delisting.shtml>

Amendments to this Notice

10. New paragraph 3A inserted 22 December 2014, to mention the imposition of EU sanctions by means of Regulation 1352/2014.
11. New paragraph 3B re SD 2015/0034 and 2015/0035 inserted, 11 February 2015.
12. New paragraph 3C re UN SCR 2216 inserted 16 April 2015.
13. Paragraph 3C replaced 9 June 2015, so as to include reference to Regulation 2015/878/EU.
14. New paragraph 3D re SD 2015/244 and SD 2015/245 inserted 30 June 2015.
15. New "directions" substituted on page 3 and new paragraph 3E inserted, 25 November 2015.
16. Mention of Sanctions Notices 26 and 32 added on page 2, 10 March 2017.
17. Amendments made to make clear that not only financial institutions are subject to reporting requirements of the sanctions.
18. Various amendments to make clear that reporting of frozen accounts or breaches of sanctions must be made to the Financial Intelligence Unit, 3 April 2018.

Isle of Man Customs and Excise website

Amendments to these sanctions will be advised by means of news releases which will be published on the official Isle of Man Government website at <http://www.gov.im/>

The Isle of Man Customs and Excise website will contain details of all current sanctions, news releases, Sanctions Notices and links to relevant websites and lists at <http://www.gov.im/categories/tax,-vat-and-your-money/customs-and-excise/sanctions-and-export-control/>

New or amended versions of this Notice will also be provided on that website.

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