

Treasury
Customs and Excise Division

Notice 1009 MAN

Proliferation and Proliferation Financing Risk

Policy Protocol



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(updated to 7 June 2017)



Isle of Man
Government

Reilrys Ellan Vannin

Contents

	<u>Page</u>
Other sources of information	4-5
Part 1 - Introduction	5-6
Part 2 - What are "proliferation" and "proliferation financing"?	6-8
Proliferation	6-7
Proliferation financing	7-8
More information	8
Part 3 - The international framework	8-9
Part 4 - What is the purpose of this Protocol?	9-10
Part 5 - What are the relevant functions of the main bodies covered by this Protocol?	10-12
The AML/CFT Technical Group	10
The Financial Crime Law Enforcement Effectiveness Group	10-11
The Customs and Excise Division	11
The FIU	11
The FSA	11
The AG Chambers	11
The Cabinet Office	11-12
The DHA	12
The Police	12
Part 6 - What are the relevant bodies outside the Island?	12-13
Part 7 - What are the specific responsibilities of Island bodies?	13-15
The Financial Crime Strategic Board	13
The AML/CFT Technical Group	13
The Financial Crime Law Enforcement Effectiveness Group	13



Isle of Man
Government

Reilrys Ellan Vannin

	<u>Page</u>
The FIU	13-14
Customs and Excise	14
The FSA	14
The AG Chambers	15
The Police	15
Who to make reports, enquiries and requests to	15-16
Part 8 - Contacts	16-17
Appendix A - Glossary	18-21

IMPORTANT NOTE

The Isle of Man Government does not, and will not, tolerate the use of the Island, its company and business structures, or other facilities for the purposes of proliferation and proliferation financing.

This Protocol applies to ALL public servants, including office-holders. Each has a responsibility to be aware of the risks involved, and of the need to prevent and detect illegal activity, and to report it to the appropriate authorities, namely the Financial Intelligence Unit.

Anyone with any evidence or suspicions about activity connected to proliferation or proliferation financing MUST report it as soon as is practicable.

Similar requirements also apply to persons in business in the Island, and these are set out in Notice 1008 MAN on the Customs and Excise website.

The Isle of Man Government is committed to combatting money laundering and other serious crime, the financing of terrorism and the contravention of UN and EU sanctions. This commitment was restated by the Council of Ministers in June 2012, and was further endorsed in the Government's AML/CFT Strategy 2016-2018¹.

This Protocol provides guidance to Isle of Man Government Departments, Statutory Boards, Police and other bodies responsible for regulation, law enforcement etc on the policy of the Government in respect of proliferation and proliferation financing (see Part 2 for definition of these terms).

The Island, with its considerable exposure to international trading activity and with a considerable financial services sector, faces real risks from proliferation and proliferation financing. These risks are difficult to quantify but have the potential for massive damage to the reputation of the Island and its business community. This is in addition to any punitive measures that might result (such as designation of the Island, Island businesses or even individuals by national or supranational organisations such as OFAC, the EU or UN) and the associated risk to Island residents of prosecution, extradition etc.

This Protocol has been considered and is endorsed by the cross-Government Financial Crime Strategic Board and the Council of Ministers.

The senior management of the various bodies whose functions in respect of proliferation and proliferation financing are covered by the Protocol have also considered this Protocol and support the guidance and directions it contains.

The body responsible for this Protocol is the Anti-Money Laundering/Countering the Financing of Terrorism ("AML/CFT") Technical Group, which is a sub-group of the Financial Crime Strategic Board. Any comments and suggestions relating to the content and purpose of this Protocol should be directed to the AML/CFT Technical Group (via the AML/CFT Policy Office in the Cabinet Office).

Other sources of information

Further information about the policies and legislation of the Isle of Man that have some relationship to proliferation and proliferation financing can be found in the following documents -

- a. The Isle of Man Government Commitment to Combating Money Laundering and the Financing of Terrorism and Proliferation (June 2012).
<https://www.gov.im/media/1092460/amlcommitment.pdf>
- b. Isle of Man National Risk Assessment 2015²; and
- c. Isle of Man Government Anti-Money Laundering and Countering the Financing of Terrorism National Strategy 2016-2018
<https://www.gov.im/about-the-government/departments/cabinet-office/national-risk-assessment/>

1 <https://www.gov.im/media/1350894/isle-of-man-government-aml-cft-national-strategy-2016-18.pdf>

2 <https://www.gov.im/media/1350893/isle-of-man-national-risk-assessment-2015.pdf>

- d. Sanctions Notices and other information on trade and financial sanctions controls; and
- e. Public Notices dealing with export and trade controls and licensing; including Notice 1008 MAN on Proliferation and Proliferation Financing Risks (August 2016)
<https://www.gov.im/categories/tax-vat-and-your-money/customs-and-excise/sanctions-and-export-control/>
- f. Financial Services Authority AML/CFT controls, including in relation to Weapons of Mass Destruction ("WMD") and proliferation
<https://www.iomfsa.im/AML/>
- g. The AML/CFT webpage on the DHA website
<https://www.gov.im/about-the-government/departments/home-affairs/chief-executives-office/anti-money-laundering-legislation-and-counteracting-the-financing-of-terrorism-amlcft/>
- h. The Moneyval 5th Round Mutual Evaluation Report (December 2016)
[http://www.coe.int/t/dghl/monitoring/moneyval/Evaluations/round5/MONEYVAL\(2016\)25_5thR_MER_Isle%20of%20Man.pdf](http://www.coe.int/t/dghl/monitoring/moneyval/Evaluations/round5/MONEYVAL(2016)25_5thR_MER_Isle%20of%20Man.pdf)

The Protocol

Part 1 - Introduction

This Protocol has been prepared by the Customs and Excise Division of the Treasury ("CED") at the request of the Cabinet Office and in conjunction with the AML/CFT Technical Group. It should be regarded as a supplement to the Isle of Man Government AML/CFT National Strategy 2016-2018, and is intended to deal with how the Island deals with the threat from proliferation and proliferation financing.

It may be difficult to distinguish between actual or attempted proliferation or the financing of proliferation, and what might be suspected breaches of UN or EU sanctions, terrorism-related activity, or money laundering - including trade-based money laundering and other trade-based financial crime. Therefore, whilst this Protocol seeks to provide guidance in respect of proliferation or the financing of proliferation, anyone with suspicions or concerns in connection to international trading, the movement of goods or technology, or the provisions of financial or technical assistance should in the first instance contact CED

Following a National Risk Assessment completed in 2015, the Island underwent an evaluation of its AML/CFT and related structures by the Moneyval organisation in 2016. One of the Immediate Outcomes (see Glossary) against which the Island was measured related to proliferation and used the FATF methodology. The Island achieved an effectiveness score of "moderate", and successfully demonstrated that from a policy and regulatory/law enforcement perspective proliferation was dealt with alongside AML/CFT, UN and EU sanctions, terrorism and other forms of threat.

In August 2016, CED published a comprehensive guide to the risks from proliferation and proliferation financing in Notice 1008 MAN, along with recommendations on how businesses

might counter the risks. CED has committed to update this Notice as new information, typologies or “red flag” threat indicators became available.

The current AML/CFT National Strategy is underpinned by three themes that have relevance to proliferation and proliferation financing -

- Monitoring and maintaining compliance with international obligations and standards and supporting measures aimed at tackling money laundering, terrorist financing and combating proliferation;
- Ensuring that the Isle of Man Government’s NRA and risk appetite for combatting AML/CFT is adopted nationally by Government, regulators and industry; and
- Raising awareness and increasing knowledge concerning the threat of terrorist financing.

The National Strategy also included a number of Goals that are relevant -

- | | |
|---------|---|
| Goal 2 | Refine the national AML/CFT policy-making and legislative process |
| Goal 7 | Examine the implementation and enforcement of UN/EU financial and trade sanctions |
| Goal 10 | Promote training and awareness of AML/CFT within Government |

Part 2 - What are “proliferation” and “proliferation financing”?

Proliferation

1. Proliferation is the manufacture, acquisition, development, export, transshipment, brokering, transport, transfer, stockpiling or use of -
 - a. Chemical, Biological, Radiological or Nuclear (CBRN) weapons or weapons of mass destruction (WMD); and
 - b. their means of delivery and related materials (including technologies and dual-use goods),

in contravention of either, or both, -

- a. domestic law (including anti-terrorism and export control laws); and/or
- b. international obligations (including UN or EU sanctions).

The term “proliferation” encompasses the acquisition, supply and use of technology, goods, software, services or expertise, or of intellectual property.

2. The technology, goods, software, services or expertise may have a legitimate use as well as being capable of use in proliferation (hence the term “dual-use” might be used). Therefore it is important to take a holistic approach when conducting any review or risk assessment, and bear in mind that goods, technology etc may have a

potential use for both a legitimate purpose or in proliferation.

3. Proliferation can therefore take many forms, but ultimately it commonly involves the transfer or export of technology, goods, software, services or expertise, or intellectual property that can be used in programmes involving nuclear, biological or chemical weapons, and their delivery systems - which may involve sophisticated technology, such as in long range missiles; or it may involve a relatively simple, or even crude, device (to produce, for example a "dirty bomb").
4. Proliferation poses a significant threat to global security. If appropriate safeguards are not established, maintained and enforced for sensitive materials, technology, services and expertise, they can -
 - a. become accessible to unauthorised or undesirable individuals and entities seeking to profit from acquiring and selling them on;
 - b. be used in weapon of mass destruction (WMD) programmes; or
 - c. find their way into the hands of terrorists.
5. As a responsible member of the international community, the Isle of Man recognises that safety and security are of paramount importance to the economic and social welfare of that community, and that it has a duty to play its part in combatting risks to that safety and security.

Proliferation financing

6. Proliferation financing can be -
 - a. terrorism financing - where it provides financial support to terrorist organisations that would want to acquire and/or use an WMD; or
 - b. financing from a state, or a state-controlled or state-sponsored entity with the aim of providing a state with a WMD, or to enhance, improve or replace an existing one.
7. Proliferation financing is an important element in both of these and, as with international criminal networks, proliferation support networks use the international financial system to carry out transactions and business deals.
8. Unscrupulous persons, including organized crime, may also take advantage of the potential profits to be made by facilitating the movements of sensitive materials, goods, technology and expertise, by providing seemingly legitimate front organisations or by acting as representatives or middlemen.
9. Proliferation financing facilitates the movement and development of proliferation-sensitive goods which, in turn can contribute to global instability and may ultimately result in a loss of life.
10. In 2010, the Financial Action Task Force (FATF) provided the following definition of proliferation financing -

“Proliferation financing” refers to: the act of providing funds or financial services that are used, in whole or in part, for the manufacture, acquisition, possession, development, export, trans-shipment, brokering, transport, transfer, stockpiling or use of nuclear, chemical or biological weapons and their means of delivery and related materials (including both technologies and dual-use goods used for non-legitimate purposes), in contravention of national laws or, where applicable, international obligations.

FATF, Combating Proliferation Financing: A Status Report on Policy Development and Consultation, 2010³

More information

11. For more information see Notice 1008 MAN on the CED website.

Part 3 - The International Framework

12. The UN Security Council has passed Resolutions in connection with proliferation risk involving Iran and North Korea in the past - those relating to North Korea remain in place. In addition, UN SCR 1540 of 2004 on the non-proliferation of WMD established the obligations under Chapter VII of the UN Charter for all Member States to develop and enforce appropriate legal and regulatory measures against the proliferation of chemical, biological, radiological and nuclear weapons and their means of delivery, in particular, to prevent the spread of WMD to non-state actors. The “1540 Committee” was established by the UN to monitor and foster implementation of UN SCR 1540 and is overseen by a group of experts. UN SCR 1540 sits alongside and complements UN SCR 1373 on countering terrorism.
13. UN SCR 1977 encourages all member states to prepare a National Implementation Action Plan for combating the spread of WMD, to be submitted to the 1540 Committee. Such an action plan has been prepared and submitted by the UK.
14. In addition, UN Security Council Resolutions concerned with terrorism and terrorist financing also have implications for proliferation and proliferation financing.
15. FATF Recommendation 7 (see Glossary) requires that countries should implement targeted financial sanctions to comply with UN Security Council Resolutions relating to the prevention, suppression and disruption of proliferation of WMD and its financing. FATF Recommendation 2 also requires that countries should have national AML/CFT policies, informed by the risks identified, which should be regularly reviewed, and should designate an authority or have a co-ordination or other mechanism that is responsible for such policies. FATF has made clear that Recommendation 2 also applies in respect of proliferation. In addition, Immediate Outcome 11 of the FATF effectiveness methodology (see Glossary) provides that how persons and entities involved in the proliferation of WMD are prevented from raising, moving and using funds, consistent with the relevant UN SCR, is a requirement against which countries shall be measured.

3 www.fatf-gafi.org/media/fatf/documents/reports/Status-report-proliferation-financing.pdf

16. The EU has adopted Regulations that mirror UN sanctions in respect of Iran and North Korea, as well as terrorism and terrorist financing. Importantly it has also adopted Regulations concerned with export controls on "dual-use items" (which controls also have effect in the Isle of Man as part of its framework of export control laws), some of which can be involved in WMD development, production or delivery.
17. The UK and Isle of Man have corresponding export control and trade control laws, which include controls on the export and movement of military and dual-use goods and technologies.
18. The UK has a current National Counter Proliferation Strategy which was published by the FCO in March 2016 and which extends to 2020. It includes, as two of its three main strands -
 - Controlling access globally to the materials and knowledge that would allow a hostile state or terrorist group to act on its intent; and
 - Identifying and disrupting illicit attempts to circumvent the controls.

The basic aim of the strategy is said to be to "prevent the spread or further development of chemical, biological, radiological and nuclear capability or advanced missile technology which could threaten the UK interests or regional stability"; and it concentrates on two main threats, one of which is weapons proliferation (defined as an increase in either advanced conventional armaments or chemical, biological, radiological and nuclear technology).

19. In addition, the UK has a cross-government strategy statement to support treaties such as the Nuclear Non-Proliferation Treaty, the Chemical Weapons Convention and the Biological and Toxic Weapons Convention (BWC) - all of which enable the UK to meet its obligations under UN SCR 1540 - and to control the export of weaponry and key technology. These treaties have direct and indirect application in the Isle of Man, and its export legislation and licensing arrangements reflect this.
20. In 2015, the UK committed to the establishment of the Counter Proliferation and Arms Control Centre (CPACC) to consolidate expertise and policy-making on international counter-proliferation and arms control issues. Based at the Ministry of Defence, it brought together expertise and policy-making from the Ministry, the FCO, and the Departments for International Trade and Business, Energy and Industrial Strategy. It began operations in July 2016.

Part 4 - What is the purpose of this Protocol?

21. The purpose of this Protocol is to provide guidance on how to deal with information, intelligence and enquiries relating to proliferation and proliferation financing, and to indicate which bodies in the Island are responsible for matters relating to proliferation and proliferation financing.
22. All public servants, civil servants, and staff and officers of Government Departments and Statutory Boards, and in particular those of the bodies listed in paragraph 24 below, should consider this Protocol as part of their body's internal guidance.
23. If any civil servant or other person to whom this Protocol applies considers that he or

she cannot comply with the requirements or directions contained in the Protocol in any particular circumstances they should inform the chief officer or chief accounting officer of their organisation of their reasons.

24. The bodies to which this Protocol has particular reference are:
- a. The Customs and Excise Division of the Treasury ("CED");
 - b. The Financial Intelligence Unit ("FIU");
 - c. The Financial Services Authority ("FSA");
 - d. Attorney General's Chambers ("AG Chambers");
 - e. The Isle of Man Constabulary ("Police").

Part 5 - What are the relevant functions of the main bodies covered by this Protocol?

25. **The AML/CFT Technical Group** is a sub-group of the Financial Crime Strategic Board and its purposes (set out in its terms of reference of January 2017) include to -
- provide an effective mechanism to enable relevant officers from various regulatory and law enforcement bodies to co-operate and co-ordinate the development and implementation of actions related to AML/CFT and the combatting of the financing of proliferation of WMD;
 - satisfy the commitment of the Isle of Man Government to combat AML/CFT and proliferation through compliance with the relevant international standards; and
 - monitor international standards, conventions and protocols relating to AML/CFT and proliferation, and advise on issues which may affect the Island.
26. **The Financial Crime Law Enforcement Effectiveness Group (FLEEG)** is a sub-group of the Financial Crime Strategic Board and brings together representatives of the various bodies concerned with law enforcement and to -
- a. ensure the bodies are working effectively to combat financial crime in line with an agreed delivery plan;
 - b. take responsibility for the multi-agency delivery of the Moneyval action plan for law enforcement effectiveness;
 - c. develop multi-agency policy and guidance for the investigation of financial crime; and
 - d. make any recommendations as necessary for continual improvement.

FLEEG includes representatives of the Police, CED, FIU, AG Chambers, FSA, the Treasury's Income Tax Division, Cabinet Office and the Department of Home Affairs.

The remit of FLEEG includes all types of financial crime, including proliferation

financing.

27. **CED** has responsibility for the administration, implementation and enforcement of -
- UN and EU trade and financial sanctions⁴, including those concerned with proliferation;
 - import and export controls and licensing, including that of dual-use goods and technology;
 - trade controls and licensing involving the trafficking and brokering of certain goods between third countries;
 - EU and domestic customs law, and providing assistance to UK and foreign customs authorities;
 - AML/CFT controls and legislation as it applies to customs, sanctions, export and trade control matters etc.
28. **The FIU** was established under the Financial Intelligence Unit Act 2016 and is the central agency for the receipt, analysis and dissemination of information relating to financial crime, including suspicious activity reports from banks and other institutions. Section 3 of the Act provides that proliferation financing is a form of "financial crime". It also receives reports of suspicious activity and blocked assets etc under UN and EU financial sanctions⁵.
29. **The FSA** was established by article 4 of the Transfer of Functions (Isle of Man Financial Services Authority) Order 2015 and is the body responsible for the regulation and supervision of financial, pension and insurance institutions, trust and corporate service providers, investigations into potential breaches of AML/CFT legislation by persons undertaking regulated activities and designated non-financial business persons ("DNFBP" - see Glossary), and the oversight of directors and persons responsible for the management, administration or affairs of corporate entities.
30. **The AG Chambers** deal with civil and criminal matters for the Government of the Isle of Man. It also provides legal advice to Government Departments and Statutory Boards. It is responsible for providing legal advice on proliferation and proliferation financing matters to the bodies covered by this Protocol, and prosecution of any offences. It is also responsible for both the Asset Recovery Unit established in December 2016 for the purposes of the Proceeds of Crime Act 2008, and mutual legal assistance requests for evidence in criminal matters received from other jurisdictions.
31. **The Cabinet Office** co-ordinates corporate initiatives on behalf of the Isle of Man Government and manages its international relationships. It includes the AML/CFT Policy Office, which co-ordinates AML/CFT (and proliferation) policies on behalf of the

4 The Customs and Excise Act 2017 amended TOCFRA 2014 to permit the FIU to deal with sanctions reports, including suspicious activity and blocked assets, under Treasury powers delegated to the FIU (and shared with the Customs and Excise Division).

5 The Customs and Excise Act 2017 amended TOCFRA 2014 to permit the FIU to deal with sanctions reports, including suspicious activity and blocked assets, under Treasury powers delegated to the FIU (and shared with the Customs and Excise Division).

Government, and provides secretariat services to the Financial Crimes Strategic

32. **The DHA** is the Government Department with overall responsibility for the Police and the prisons, and for criminal law, including proceeds of crime and anti-terrorism legislation.
- 33 **The Police** includes the Financial Crime Unit (FCU), which undertakes investigations into serious or complex financial crime involving proliferation or proliferation financing. The Police are the lead agency in any terrorism or terrorist financing investigation, and liaise with other law enforcement and the security services.

Part 6 - What are the relevant bodies outside the Island?

34. In addition to the bodies mentioned in Part 5 above, there are a number of bodies in the UK which are relevant in respect of the prevention, detection and investigation of proliferation and proliferation financing. These include -
- The British Security Services, which have overall responsibility for intelligence matters in respect of the Isle of Man;
 - The National Crime Agency (NCA), the role of which is to protect the public from the most serious threats by disrupting and bringing to justice those serious and organised criminals who present the highest risk to the UK. The Police liaise closely with the NCA, and CED also has links with the NCA including on sanctions matters through OFSI (see below);
 - Police forces in the UK, with which the Police in the Island liaise with as required;
 - HM Revenue and Customs (HMRC) and Border Force, which are responsible for control of goods and people entering or leaving the UK, and the enforcement of UN and EU sanctions and export and trade controls and related legislation. CED has a close relationship with both HMRC and Border Force;
 - The Export Control Organisation (ECO), part of the Department of International Trade, which deals with export and trade controls and licensing. CED has a close working relationship with ECO;
 - The Foreign and Commonwealth Office (FCO), which has overall responsibility for international affairs, including international sanctions and proliferation matters. The Cabinet Office and CED have links with the FCO for the purposes of sanctions and related matters;
 - HM Treasury's Office of Financial Sanctions Implementation (OFSI) is responsible for the implementation, administration and enforcement of financial sanctions in the UK. CED has a good working relationship with OFSI;
 - The Financial Conduct Authority (FCA), the conduct regulator for the UK for 56,000 financial services firms and financial markets in the UK and the prudential regulator of over 24,000 of those firms. Its work includes dealing with suspicious transaction orders where there are 'reasonable grounds' to suspect it may constitute market abuse, such as insider dealing or market

manipulation.

Part 7 - What are the specific responsibilities of Island bodies?

35. This Part provides guidance on which body is responsible for specific matters or functions relating to proliferation and proliferation financing. It also explains how any enquiry, request or investigation relating to proliferation or proliferation financing should be dealt with.
36. **The Financial Crime Strategic Board** -
- will oversee the effectiveness implementation of overall Government policy relating to financial crime in general, including in relation to proliferation and proliferation financing, terrorist financing, export and trade control etc.
37. **The AML/CFT Technical Group** -
- will oversee the co-ordination between the various Island regulatory and law enforcement bodies, reviews processes and policies and makes recommendations to the Financial Crimes Strategic Board.
38. **The Financial Crime Law Enforcement Effectiveness Group (FLEEG)** -
- will co-ordinate and ensure the effectiveness of the Government policy relating to financial crime in general, including in relation to proliferation and proliferation financing, terrorist financing, export and trade control etc;
 - will consider and make recommendations on changes to policy and procedures to the Financial Crime Strategic Board; and
 - will develop and co-ordinate the necessary policies and guidance for the various agencies involved.
39. **The FIU** will -
- receive reports of suspected money laundering, financing of terrorism, proliferation financing or other forms of financial crime;
 - receive reports of suspected breaches of sanctions law and reports of blocked assets (when this function is delegated by the Treasury)⁶;
 - seek other and further information about the above;
 - collate and analyse all information received and liaise with such other bodies as it considers fit;
 - disseminate information packages as necessary;

6 The Customs and Excise Act 2017 amended TOCFRA 2014 to permit the FIU to deal with sanctions reports, including suspicious activity and blocked assets, under Treasury powers delegated to the FIU (and shared with the Customs and Excise Division).

- provide training and assistance to other bodies.

The FIU Board will oversee the role of the FIU, at a strategic and policy level (but has no operational role). However, it will assist in co-ordinating where matters also involve or have relevance for the Police and Customs and Excise.

40. **CED** will -

- implement and administer relevant sanctions and export/trade control measures⁷;
- provide public information on such measures through public notices and news releases;
- provide training and assistance to other bodies;
- act as a source of information and advice on sanctions, export and trade controls;
- co-ordinate sanctions enforcement (including where reports are forwarded by the FIU);
- investigate suspected proliferation or sanctions-related offences;
- liaise with such other bodies as it thinks fit;
- through its customs and assurance activity, monitor Island business activity for suspicions or evidence of potential proliferation or proliferation financing;
- assess the awareness and compliance of Island businesses (which are VAT-registered in the Island, are approved or authorised by CED for customs or excise purposes, or are otherwise subject to compliance or assurance work involving CED) in respect of proliferation and proliferation financing;
- provide ongoing information and assistance to Island businesses.

41. **The FSA** will -

- through its supervision and enforcement activity, monitor Island business activity for evidence of potential proliferation or proliferation financing;
- provide ongoing information and assistance to Island businesses as required;
- seek to assess the awareness and compliance of Island businesses in respect to proliferation and proliferation financing.

7 The Customs and Excise Act 2017 amended TOCFRA 2014 to permit the FIU to deal with sanctions reports, including suspicious activity and blocked assets, under Treasury powers delegated to the FIU (and shared with the Customs and Excise Division).

42. **AG Chambers** will -

- provide advice and assistance, as required;
- receive mutual assistance requests relating to evidence for criminal matters from off-Island and co-ordinate action;
- co-ordinate, process and despatch mutual legal assistance requests relating to evidence for criminal matters to other jurisdictions;
- through its asset recovery unit, co-ordinate and pursue asset recovery through confiscation and civil recovery;
- prosecute offences.

43 **The Police** will -

- through its FCU, undertake the investigation of serious and complex crime involving proliferation or proliferation financing.

44. **Who to make reports, enquiries and requests to**

	<u>Made to</u>
Reports of suspected proliferation financing (including terrorist-related)	FIU
Reports of suspected breaches of sanctions law	FIU*
Reports of assets blocked under sanctions law	FIU*
Reports of attempted transactions contrary to sanctions law	FIU*
Reports of suspected breaches of customs law (in the Island, UK or EU)	CED
Reports of suspected breaches of export licensing controls	CED
Reports of suspected breaches of trade control legislation	CED
Reports of suspected involvement of Island businesses (including TCSP) in the above	FSA
Enquiries or requests for additional information about customs procedures	CED
Enquiries or requests for additional information about UN and EU sanctions	CED
Enquiries and requests for additional information about Export controls	CED
Enquiries and requests for additional information about Trade controls	CED

	<u>Made to</u>
Enquiries and requests for additional information about AML/CFT reporting	FIU
Enquiries and requests for additional information about TCSP, banks, insurers and other Island businesses	FSA
Enquiries and requests for additional information about asset recovery	AG Chambers
Enquiries and requests for additional information about MLAT	AG Chambers
Enquiries and requests for additional information about terrorism- related matters	Police
Requests for mutual assistance from other jurisdictions re customs, export controls, import controls, trade controls	CED
Requests for mutual assistance from other jurisdictions re AML/CFT	FIU AG Chambers
Requests for mutual assistance from other jurisdictions re terrorist-related matters	Police FIU

If in doubt, first contact the CED for advice.

* FIU and Customs and Excise will liaise.

See also Appendix A.

Part 8 - Contacts

FIU

Telephone: 01624 686000

Email: fiu@gov.im

CED

Telephone: 01624 648138

Email: customs@gov.im

Website for Information:

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

FSA

Telephone: 01624 646000

Email: info@iomfsa.im

If you have a query regarding AML/CFT matters, please contact the AML Unit using aml@iomfsa.im

Police

Telephone: 01624 631301

Email: fcu@gov.im

AG Chambers

Telephone: 01623 685452

Email: attgen@gov.im

Appendix A

Glossary

1540 Committee	Committee established by the UN Security Council to oversee implementation of UN SCR 1540 (see below)
AML/CFT	Anti-money laundering and countering the financing of terrorism
CBRN	Chemical, biological, radiological and nuclear. The term "CBRNE" is also used (standing for chemical, biological, radiological, nuclear, explosives), such as by Interpol in connection with the terrorism threat
CPACC	UK Counter-Proliferation and Arms Control Centre
Delivery systems	Term for systems (including missile systems) used to deliver a WMD
Dirty bomb	See radiological dispersal device (RDD)
DNFBP	Designated non-financial business persons, being any person who undertakes the business as defined in Schedule 1 of the Designated Businesses (Registration & Oversight) Act 2015 ⁸ . They are registered and overseen by the FSA for AML/CFT compliance only - they retain their current status with the various bodies (if any) responsible for their wider business, competence or other matters, such as the Isle of Man Law Society, the ICAEW, ACCA, CIMA, the Office of Fair Trading etc.
Dual-use items	(or "dual-use goods") Goods subject to export controls, being products and technologies normally used for civilian purposes but which may have military applications or use in WMD and delivery systems
ECO	UK Department for International Trade's Export Control Organisation
FATF	The OECD's Financial Action Task Force
FCA	The Financial Conduct Authority is the conduct regulator for UK financial services firms and for financial markets in the UK. It is also the prudential regulator for other relevant UK firms.
FCLEEG	Financial Crime Law Enforcement Effectiveness Group
FCO	Foreign and Commonwealth Office

8 See <http://www.iomfsa.im/dnfbp/designatedbusinesses.xml?menuid=25750>

Financial sanctions	Sanctions (see below) which involve a blocking of the assets of a designated person or entity, or prohibitions or restrictions on providing benefit, financing or financial services to a designated person or entity
HMRC	HM Revenue and Customs
Immediate Outcomes	The effectiveness assessment methodology used by FATF (and Moneyval) assesses the extent to which a country achieves a defined set of outcomes that are central to a robust AML/CFT system and are used to analyse the extent to which a country's legal and institutional framework is producing the expected results. How effectively each of the Immediate Outcomes in the Methodology is achieved by a country will be set out in the evaluation report and will include one of the following ratings: high-level of effectiveness, substantial level of effectiveness, moderate level of effectiveness and low level of effectiveness.
Methodology	In this Protocol, refers to practices, procedures, rules and working methods laid down by FATF for the evaluation of a country's AML/CFT and related systems, legislation and procedures.
MLAT	Mutual Legal Assistance Treaty. MLAT are agreements between two or more countries, which create obligations under international law for governments to assist one another in criminal investigations and prosecutions. Law enforcement officers or prosecutors use them when they need help to obtain evidence from within another country's jurisdiction.
Moneyval	MONEYVAL is a permanent monitoring body of the Council of Europe entrusted with the task of assessing compliance with the principal international standards to counter money laundering and the financing of terrorism and the effectiveness of their implementation, as well as with the task of making recommendations to national authorities in respect of necessary improvements to their systems
NCA	National Crime Agency
NRA	National Risk Assessment
OECD	Organisation for Economic Co-operation and Development
OFAC	US Treasury Office of Foreign Assets Control
OFSI	HM Treasury's Office of Financial Sanctions Implementation
Proliferation	See paragraph 1.
Proliferation financing	See paragraph 7.

Radiological dispersal device	A radiological weapon that combines radioactive material with conventional explosives. The purpose of the weapon is to contaminate the area around the dispersal agent/conventional explosion with radioactive material
RDD	See Radiological dispersal device
Recommendation 7	A recommendation of FATF: Countries should implement targeted financial sanctions to comply with United Nations Security Council Resolutions relating to the prevention, suppression and disruption of proliferation of weapons of mass destruction and its financing. These Resolutions require countries to freeze without delay the funds or other assets of, and to ensure that no funds and other assets are made available, directly or indirectly, to or for the benefit of, any person or entity designated by, or under the authority of, the United Nations Security Council under Chapter VII of the Charter of the United Nations
Sanctions	Trade embargoes and other trade, financial or other measures imposed by the UN or EU and which have effect under Island law. The term encompasses similar measures imposed under domestic law by the UK and which have effect in the Island. Sanctions imposed by other agencies and other countries (e.g. OFAC) do not have legal effect in the Island. For more information see Sanctions Notice 26
SAR	Suspicious activity report
SCR	UN Security Council Resolution
TOCFRA 2014	Terrorism and Other Crime (Financial Restrictions) Act 2014
Trade controls	An extension of export control law, extra-territorial controls on the movement of certain goods between third countries (i.e. where not exported from, or imported into, the UK and Isle of Man). For more information see Notice 279T MAN
Trade sanctions	Sanctions (see above) that involve trade embargoes or other prohibitions or restrictions on trading with designated countries, persons, entities etc.
UN SCR	UN Security Council Resolution Relevant ones include UN SCR 1373 - a <u>counter-terrorism</u> measure passed following the <u>9/11 terrorist attacks</u> on the US; UN SCR 1267 and 1988 - focused on Al-Qaeda, Afghanistan and the Taliban and associates; UN SCR 2253 - that imposed individual targeted sanctions (an asset freeze, travel ban and arms embargo) upon individuals, groups, undertakings and entities designated on the UN's ISIL (Da-esh) & Al-Qaida Sanctions List; and UN SCR 1540 (see below)

UN SCR 1540	Adopted in 2004 regarding the non-proliferation of WMD. It establishes the obligations for all member states to develop and enforce appropriate legal and regulatory measures against the proliferation of <u>chemical, biological, radiological, and nuclear</u> weapons and their means of delivery, in particular, to prevent the spread of WMD to <u>non-state actors</u> . It also requires member states to fulfil their commitment to multilateral co-operation, in particular within the framework of the <u>International Atomic Energy Agency</u> , the <u>Organisation for the Prohibition of Chemical Weapons</u> , and the <u>Biological and Toxin Weapons Convention</u> .
WMD	Weapons of mass destruction

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Amendments to this Notice

7 June 2017	Typos corrected in paragraphs 26, 31, 38. Definition of OECD added to Glossary. Reference to "public servants" added in paragraph 22.
30 May 2018	Privacy Notice added

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