

Treasury
Customs and Excise Division

Sanctions Notice 51

European Union Sanctions

Nicaragua



October 2019
(5 May 2020)



Isle of Man
Government

Reilrys Ellan Vannin

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About this Notice

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

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 in this Notice.

For further information about sanctions in general, including how to deal with false positives, or when sanctions are lifted or persons delisted, see Financial Sanctions Guidance.

The Guidance 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/>

Directions

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. On 21 January 2019, the Council of the European Union adopted conclusions on the continuing deterioration of the rule of law and democracy in Nicaragua . The EU condemned the repression of the press and civil society and the use of anti-terrorist laws to repress dissenting opinions in Nicaragua.
2. Since April 2018, demonstrations have been brutally repressed by security forces and pro-government armed groups leading to clashes, several hundred dead and injured and the arrest of hundreds of citizens, with widespread irregularities and arbitrariness in detention and judicial procedures.
3. On 14 October 2019, the Council of the European Union adopted a framework for targeted restrictive measures in view of the situation in Nicaragua. These include travel restrictions and the freezing of funds and economic resources of persons responsible for serious human rights violations or abuses or for the repression of civil society and democratic opposition in Nicaragua. The Council Regulation introduces the framework for targeted restrictive measures which will apply to persons, entities and bodies listed in Annex I to the Council Regulation.

Council Regulation (EU) 2019/1719 was applied in Island law by means of the European Union (Nicaragua Sanctions) Order 2019[SD 2019/0433] with effect from 25 October 2019, with the Nicaragua Sanctions Regulations 2019 [SD 2019/0432] coming into operation at the same time.

4. Following the publication of Council Implementing Regulation (EU) 2020/606. Six individuals have been listed as subject to restrictive measures.

Funds and economic resources

5. 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;
 - 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.
6. "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

7. 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.
8. Financial and credit institutions must notify the Sanctions Officer immediately if they have a frozen account, and if they receive transfers from other sources into frozen accounts.

Licences

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9. 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 dependent family members (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.

Amendments to this Notice

1. This Notice was first published on 29 October 2019.
2. Paragraph 4 updated following the listing of 6 individuals subject to restrictive measures .

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 <https://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

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

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

Privacy Notice

The Treasury collects information about you in order to administer taxation and carry out

other functions for which it is responsible (e.g. National Insurance, customs and excise duties, property rates, social security benefits, state pensions and legal aid etc.), and for the detection and prevention of crime.

Whilst that information will primarily be provided by you, where the law allows we may also get information about you from other organisations, or give information about you to them. This may be to check the accuracy of the information provided, prevent or detect crime or protect public funds in other ways. These organisations may include other government departments, the police and other agencies.

To find out more about how we collect and use personal information, contact any of our offices or visit our website at: <https://www.gov.im/about-the-government/departments/the-treasury/privacy-notice/>

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

This document can be provided in large print or audio tape on request

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