

Treasury
Customs and Excise Division

Sanctions Notice 53

Global Human Rights Sanctions



July 2020



Isle of Man
Government

Reilrys Ellan Vannin

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Legislation

The Global Human Rights Sanctions Regulations 2020 [[SI 2020/680](#)]

The Global Human Rights Sanctions (Isle of Man) Order 2020 [[SI 2020/774](#)]



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About this Notice

As required by Section 43 of the Sanctions and Anti-Money Laundering Act 2018, as it has effect in the Isle of Man ('the Sanctions Act'), the Treasury has provided this guidance to assist in the implementation of and compliance with the [Global Human Rights Sanctions Regulations 2020](#), as they have effect in the Isle of Man ('the Regulations').

As required by the Sanctions Act, this document contains guidance on the prohibitions and requirements imposed by the Regulations. It additionally provides guidance on best practice for complying with the prohibitions and requirements; the enforcement of them; and circumstances where they do not apply.

This document is intended to be read alongside more detailed sanctions guidance published by the Treasury.

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

Customs and Excise Division	Telephone: (01624) 648109
PO Box 6	Email: customs@gov.im
Custom House	
North Quay	
Douglas	
Isle of Man	
IM99 1AG	

This guidance does not represent legal advice. If you are unsure about your obligations in a given case, you should consider taking independent legal advice.

For further information about sanctions in general, including—
who is subject to financial sanctions;
Directions;
reporting obligations;
ownership and control;
complex structures;
exemptions and licensing; and
record-keeping (including "false positives"),

see the [Financial Sanctions—Guidance](#)

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/>

Financial Intelligence Unit contact details

Financial Intelligence Unit	Telephone: +44 1624 686000
PO Box 51	Email: fiu@gov.im
Douglas	
Isle of Man	
IM99 2TD	

1. Prohibitions and requirements imposed by the Global Human Rights Sanctions Regulations 2020, as they have effect in the Isle of Man

The Regulations impose financial and immigration sanctions in order to deter, and provide accountability for, activities which, if carried out by or on behalf of a state within the territory of that state, would amount to a serious violation by that state of an individual's:

- right to life
- right not to be subjected to torture or cruel, inhuman or degrading treatment or punishment
- right to be free from slavery, not to be held in servitude or required to perform forced or compulsory labour.

These activities could be carried out by either a state or non-state actor and, accordingly, both state and non-state actors may be designated under the Regulations.

In order to achieve the stated purposes, the Regulations impose a number of prohibitions and requirements. In order to enforce these, the Regulations establish penalties and offences, which are detailed more in Annex A.

The prohibitions and requirements imposed by the Regulations apply within the Isle of Man (IOM) and in relation to the conduct of all Island persons wherever they are in the world. Island persons include British nationals who ordinarily reside in the Island, as well as all bodies incorporated or constituted under the law of the Island. Accordingly, the prohibitions and requirements imposed by the Regulations apply to all companies established in the Island.

It is prohibited to intentionally participate in any activities if you know that the object or effect of them is to circumvent the prohibitions and requirements imposed by the Regulations or to enable or facilitate the contravention of any of the financial or immigration sanctions prohibitions.

If you are unclear about any aspects of the Regulations, in particular about whether action you are considering taking could contravene the Regulations, you are advised to seek independent legal advice.

Prohibitions and requirements in relation to the financial and immigration sanctions contained in the Regulations are set out below.

1.1 Designated persons

The Regulations provide that a "designated person" means any person designated by the Secretary of State under the Regulations (as they have effect in the United Kingdom).

When the Regulations are in operation a list of those persons designated under the Regulations and details of the sanctions in respect of which they have been designated, will be on [Gov.uk](https://www.gov.uk).

1.2 Financial sanctions

The Regulations impose financial sanctions through a targeted asset freeze on designated persons. This involves the freezing of funds and economic resources (non-monetary assets, such as property or vehicles) of designated persons and ensuring that funds and economic resources are not made available to or for the benefit of designated persons, either directly or indirectly.

More information on asset freezes can be found in the [Financial Sanctions guidance](#).

1.3 Immigration sanctions

The effect of the Regulations is to impose a travel ban on designated persons. A person who is designated for the purposes of this regulation is an excluded person for the purposes of section 8B of the Immigration Act 1971, as it has effect in the Island.

This means that those individuals will be refused leave to enter or remain in the IOM/UK. Any application they make for a visa to travel to the IOM/UK, including for transit purposes, will be refused. A foreign national who is subject to a travel ban under the Regulations, and is currently in the IOM, will have their permission to stay cancelled and steps will be taken to remove them from the IOM/UK.

If you are the subject of an immigration sanction and try to travel to the IOM, carriers are required to deny you boarding.

1.4 Information and record keeping

For the purpose of the financial sanctions contained in the Regulations, Part 6 of the Regulations places obligations on relevant firms (the definition of which is set out in the Regulations) to report information to the Treasury: about known or suspected designated persons, or about persons who have committed an offence under specified provisions of the Regulations.

It also grants powers to the Treasury to request information from, amongst others, a designated person, including powers to request the production of documents. It also establishes offences for failing to comply with these requests (including for providing false information in respect of Treasury licences).

If you have obligations or responsibilities under Part 6 of the Regulations, it is important that you familiarise yourself with them. If you are unclear about your obligations or responsibilities, you are advised to seek independent legal advice.

2. How will these sanctions measures be enforced?

The Regulations make it a criminal offence to contravene the immigration and financial sanctions, as well as to enable or facilitate a contravention of, or to circumvent any of the financial prohibitions in the Regulations. They also prescribe the mode of trial and penalties that apply to such offences.

2.1 Financial sanctions

Breaches of financial sanctions are a serious criminal offence. Any breach of the main financial prohibitions in the Regulations is an offence that is triable either way and carries a maximum sentence of 7 years' imprisonment or a fine (or both). Committing an offence under regulation 25(6) (Finance: reporting obligations) or 29 (Finance: information offences) carries a maximum sentence of 6 months' imprisonment or a fine (or both).

The Treasury works with other parts of government, supervisory bodies and regulators to consider all cases reported to it, sharing relevant information accordingly.

If you find out that a person or organisation you are dealing with is subject to the financial sanctions detailed in the Regulations, you must immediately:

- stop dealing with them;
- freeze any assets you're holding for them;
- inform the FIU.

More detailed information on Treasury's approach to compliance and enforcement can be found in Part 12 of the [Financial Sanctions guidance](#).

3. Are there circumstances when I can get an authorisation or licence for a sanctioned activity?

Licensing and exception provisions are contained in Part 5 of the Regulations.

3.1 Exceptions

The Regulations set out exceptions to some of the sanctions prohibitions which apply within certain defined circumstances. An exception applies automatically, and does not require you to obtain a licence.

The Regulations establish exceptions relating to financial sanctions, including for the crediting of a frozen account by a relevant institution, provided that any such credits are frozen in accordance with the relevant legislation underpinning the asset freeze. An exception also exists for when funds are transferred to a frozen account in discharge (or partial discharge) of an obligation which arose before the recipient became a designated person.

The Regulations include an exception for acts done for the purposes of national security or prevention of serious crime. If you are unsure whether an exception applies in your circumstances, you are advised to seek independent legal advice.

3.2 Licensing for financial sanctions

Where a person is designated for the purposes of the financial sanctions contained in the Regulations, the person or representative (on their behalf) may apply for a licence from the Treasury to use their funds or economic resources (non-monetary assets, such as property or vehicles). Schedule 2 of the Regulations sets out under which circumstances, or for which activities, the Treasury may grant a licence. These are:

- basic needs
- reasonable legal fees or reasonable expenses associated with the provision of legal services
- reasonable fees for the routine holding or maintenance of frozen funds and economic resources
- extraordinary expenses
- pre-existing judicial decisions
- extraordinary situations
- prior obligations
- diplomatic missions
- humanitarian assistance activity.

Further information on exemptions and licensing grounds can be found in Part 8 of the [Financial Sanctions guidance](#).

3.3 Immigration sanctions

If you are subject to immigration sanctions the Home Office may direct, on a case by case basis, that the sanction does not apply in particular circumstances, such as for travel to, or through, the UK for a UN sponsored meeting. You can check on how to [apply for a UK visa](#), and further information about [travelling to the UK](#) on GOV.UK.

Amendments to this Notice

1. This Notice was first published on 22 July 2020

Further information

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/>

Annex A

Table of Financial Sanctions Offences

Type of sanctions offence	Specific offence	Maximum Penalty
Breach of sanctions	<ol style="list-style-type: none"> 1. Dealing with funds or economic resources owned, held or controlled by a designated person. 2. Making funds available directly or indirectly to a designated person. 3. Making funds available for the benefit of a designated person. 4. Making economic resources available directly or indirectly to a designated person. 5. Making economic resources available for the benefit of a designated person. 	<p>Liabe on summary conviction - to custody for a term not exceeding 12 months or to a fine not exceeding level 5 on the standard scale, or to both</p> <p>Liabe on conviction on information - to custody for a term not exceeding 7 years or to a fine, or to both</p>
Circumvention etc. of prohibitions	Circumventing directly or indirectly the prohibitions of regulations 11-15 (Part 3 Finance) or enabling or facilitating the contravention of prohibitions	
Breach of requirements under Treasury licences	<ol style="list-style-type: none"> 1. Knowingly or recklessly providing false information or providing a document that is not what it purports to be for the purpose obtaining a Treasury licence. 2. Failing to comply with the conditions of a licence. 	
Breach of reporting obligations	<ol style="list-style-type: none"> 1. Failure to inform the Treasury about knowledge or reasonable cause to suspect that a person is a designated person or has committed an offence under Part 3 or regulation 23 of the Regulations. 2. Failure to provide the Treasury with information on which the knowledge or suspicion is based or information by which the person can be identified. 3. Failure to provide the Treasury with information about any funds or economic resources it holds for a designated person at the time when it first had knowledge or suspicion. 	<p>Liabe on summary conviction - to custody for a term not exceeding 6 months or to a fine not exceeding level 5 on the standard scale, or to both</p>
Failure to comply with requests for information	<ol style="list-style-type: none"> 1. Failure to provide information in the time and manner requested under regulation 27. 2. Knowingly and recklessly providing false information in respect of information requested under regulation 27. 3. Evasion of requests to provide information or produce documents made under regulation 27 or 28. 4. Obstruction of Treasury requests for information made under regulation 27 or 28. 	

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