

Financial Prohibitions Against Listed Parties under the United Nations (Financial Prohibitions, Arms Embargo and Travel Ban) Sanctions Act 2019

[The United Nations \(Financial Prohibitions, Arms Embargo and Travel Ban\) Sanctions Act 2019](#) (the ‘Act’) enables the Government of Mauritius to implement targeted sanctions, including financial sanctions, arms embargo and travel ban, and other measures imposed by the United Nations Security Council under Chapter VII of the Charter of the United Nations, with a view to addressing threats to international peace and security, including terrorism, the financing of terrorism and proliferation of weapons of mass destruction.

The National Sanctions Secretariat, established under section 7 of the Act, has issued a Notice under section 18 of the Act as well as an Explanatory Note on the implementation of [United Nations Sanctions Measures](#) which have been published in the Government Gazette of 5 October 2019.

The United Nations has established a list of parties (‘Listed Parties’) against which targeted sanctions have been imposed. The United Nations Security Council Consolidated List may be accessed at the following link: <https://www.un.org/securitycouncil/content/un-sc-consolidated-list>.

Financial institutions are required to **regularly** consult the Consolidated List and take immediate action with respect to any changes brought thereto. They must also regularly consult the newspapers for any notice which may be issued by the National Sanctions Secretariat and immediately act upon it.

Financial Institutions are reminded of the following obligations imposed under the Act:

- i. Financial prohibitions
 - a) Prohibition to deal with the funds or other assets of Listed Parties under section 23 of the Act;
 - b) Prohibition to make funds or other assets available to Listed Parties under section 24 of the Act.
- ii. Reporting obligations
 - a) financial institutions must immediately (i.e without delay and not later than 24 hours), verify whether the details of the Listed Party match with the particulars of any of its customer;
 - b) if there is a positive match, the financial institution must identify whether the customer owns any funds or other assets with it, including the funds or assets mentioned in section 23(1);

- c) the financial institution is required to make a report to the National Sanctions Secretariat and the Bank of Mauritius where funds or other assets have been identified by it.
- d) a nil report must be submitted to the above authorities if no funds or other assets is identified.

iii. Reporting of suspicious information

A financial institution must immediately submit to the FIU in accordance with section 14 of the Financial Intelligence and Anti-Money Laundering Act, any information relating to a Listed Party which is known to it.

iv. Internal controls

Financial institutions must implement internal controls and other procedures to enable it to effectively comply with the obligations under the Act.

The National Sanctions Secretariat has, on 25 August 2020, issued Guidelines on the implementation of Targeted Financial Sanctions under the United Nations (Financial Prohibitions, Arms Embargo and Travel Ban) Sanctions Act 2019 (the ‘Guidelines’) under section 7(2) (f) of the Act.

The Guidelines provide for, inter alia, an overview of Proliferation Financing, Targeted Financial Sanctions Obligations, Implementation by reporting persons of the targeted financial sanctions obligations through sanctions screening, reporting obligations and procedures, authorisations and exemptions. Case studies are also provided in the annexes to the Guidelines.

The purpose of the Guidelines is to assist reporting persons, namely banks and other financial institutions licensed by the Bank of Mauritius, amongst others, with the implementation of the restrictive measures, in particular the financial prohibitions prescribed under the Act.

The National Sanctions Secretariat has also issued two templates with respect to the reporting obligations vested on reporting persons under the Act namely –

- i. Template for Notification to the National Sanctions Secretariat under section 23(4) of the Act; and
- ii. Template for Reporting Positive Name Match under section 25(2) of the Act

The Guidelines and Templates may also be accessed on the website of the National Sanctions Secretariat at the following link <http://nssec.govmu.org>, under the heading Guidelines.

The Bank of Mauritius is required, under section 40(2) of the Act, to supervise and enforce compliance by its licensees with the requirements imposed under the Act. Failure to comply with the Act is an offence.