

THIRD SUPPLEMENT TO THE GIBRALTAR GAZETTE

No. 5179 GIBRALTAR Thursday 10th October 2024

B. 25/24

BILL

FOR

AN ACT to amend the Sanctions Act 2019 to make provision about sanctions screening by relevant financial businesses, to amend the Proceeds of Crime Act 2015; and for connected purposes.

ENACTED by the Legislature of Gibraltar.

Title.

1. This Act may be cited as the Sanctions (Amendment) Act 2024.

Commencement.

2. This Act comes into operation on the day of publication.

Amendment of the Sanctions Act 2019.

3.(1) The Sanctions Act 2019 is amended as follows.

(2) In section 8, omit subsections (3) to (4).

(3) After section 8, insert—

“Sanctions screening.

8A.(1) Persons engaging in relevant financial business (within the meaning of section 9 of the Proceeds of Crime Act 2015) must have appropriate policies, controls and procedures which ensure that—

- (a) they are aware of the lists of persons to whom international sanctions apply;
- (b) they undertake appropriate checks of those lists when undertaking relevant financial business in relation to both new and existing customers; and
- (c) following such checks they take appropriate action including, where relevant—

- (i) disclosing suspicious transactions or attempted transactions to the Gibraltar Financial Intelligence Unit (GFIU); or
 - (ii) freezing relevant assets.
- (2) The obligation under subsection (1)(c)(ii) to freeze relevant assets applies whether those assets are owned or held solely by the person to whom the international sanctions apply or jointly with another person.
- (3) A person who fails to comply with subsection (1) commits an offence.
- (4) The functions of the supervisory authorities appointed under Part 3 of the Proceeds of Crime Act 2015 extend to supervising and enforcing compliance with the obligation imposed under this section.
- (5) The Government may by regulations make further provision in respect of, or in connection with, the functions of the supervisory authorities under this section.
- (6) Without limiting subsection (5), regulations may, in particular—
- (a) create criminal offences in respect of contraventions of, or in connection with, the regulations; and
 - (b) where the regulations contain any provision creating a criminal offence, provide that the offence is—
 - (i) triable summarily or on indictment, and
 - (ii) punishable with a fine, imprisonment or both.”.
- (4) In Schedule 4, after paragraph 1(6), insert—
- “(6A) In this paragraph, “relevant institution” means a person that has permission under Part 7 of the Financial Services Act 2019 or a collective investment scheme authorised under Part 18 of that Act.”.

Amendment of the Proceeds of Crime Act 2015.

4.(1) The Proceeds of Crime Act 2015 is amended as follows.

- (2) In section 10(ca), for “section 8(3)” substitute “section 8A”.
- (3) In section 156—
 - (a) in subsection (3)(c) for “section 120(6), (7), (8), (9) and (10)” substitute “section 157(6), (7), (9), (10) and (11)”;
 - (b) in subsection (5)(b) for “section 120” substitute “section 157”.

EXPLANATORY MEMORANDUM

This Bill amends the Sanctions Act 2019, to provide for the supervisory authorities appointed under the Proceeds of Crime Act 2015 to supervise and enforce compliance by relevant financial businesses with the sanctions screening obligation under the 2019 Act. The Bill also makes a consequential amendment to the 2015 Act, and corrects a cross reference in that Act.

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