

**ANTI-MONEY LAUNDERING/COUNTER FINANCING OF TERRORISM /COUNTER
PROLIFERATION FINANCING IN FOCUS**

Part Eight:

**An In-depth Look at the Financial Action Task Force (FATF) Forty Recommendations-
Recommendation 6-Targeted financial sanctions related to terrorism and terrorist financing**

By: The Attorney General's Chambers and the National Anti-Money Laundering Oversight Committee (NAMLOC)

In last week's article the topic of terrorist financing offence was examined. This week the conversation on terrorism financing continues as Recommendation 6 looks at *“Targeted financial sanctions related to terrorism and terrorist financing”*.

In its effort to fight terrorism and terrorist financing the Financial Action Task Force (FATF) through its Forty Recommendations calls on countries to implement targeted financial sanctions inkeeping with the United Nations Security Council Resolutions 1267, and its successor 1373 dealing with the prevention and suppression of terrorism and terrorism financing. These Resolutions call for the immediate freezing of funds or assets that are directly or indirectly benefiting persons or entities affiliated with the Taliban or Al-Qaida.

The risk of a terrorist attack in Saint Lucia is low, but the Government is determined that Saint Lucia and Saint Lucians be neither the target nor source of terrorist activities. The designation of terrorist entities is one measure Saint Lucia can take to contribute to the international campaign against terrorism.

The Anti-Terrorism Act (the ATA), Chapter 3.16 of the Revised Laws of Saint Lucia criminalizes terrorist acts and terrorism financing and has provisions that gives effect to the UN Security Council Resolutions. Section 5 of the ATA states “Where the Security Council of the United Nations decides, in pursuance of Article 41 of the Charter of the United Nations, on the measures to be employed to give effect to any of its decisions and calls upon the Government of Saint Lucia to apply those measures, the Minister responsible for External Affairs may, with the approval of Cabinet, by Order in the Gazette, make such provision as may appear to him or her to be necessary or expedient to enable those measures to be effectively applied.”

Recommendation 6 also requires countries to have a competent authority with responsibility for enforcement of sanctions. Section 3 of the ATA gives the Attorney General the power to declare persons specified entities. This designation has the effect of stopping the flow of funds or other assets to terrorist groups or the use of funds or assets by terrorist groups. A Judge of the High Court has the power, upon application by a declared specified entity to determine whether the declaration made by the Attorney General is reasonable, and if found to be unreasonable compel the Attorney General to revoke the order. It is incumbent upon the country to ensure that the rights of innocent third parties are protected.

Additionally, these sanctions should be applied to both natural and legal persons. However, before all of this can take effect, upon receipt of the UN Sanctions List or a designation by the Attorney General by publication in the Gazette, financial institutions must verify whether or not they hold accounts or transact business for or on behalf of specified entities. Whatever the outcome, in accordance with the ATA, it must be reported immediately to the Financial Intelligence Authority.

In September 2019 the assessors from the Caribbean Financial Action Task Force (CFATF) will seek to determine How well Saint Lucia has complied with this recommendation. This examination will cover two areas: (1) Technical Compliance which is determining that our Anti-Terrorism Act is detailed and extensive and (2) Effectiveness, which investigates how well the act is being used to combat terrorism. Further information on this Recommendation can be had from the CFATF website at <https://www.cfatf-gafic.org>.