

FINANCIAL REPORTING AUTHORITY

(CAYFIN)



Delivery Address:

133 Elgin Ave, 4th Floor
Government Administrative Building
Grand Cayman
CAYMAN ISLANDS
Direct Tel No. (345) 244-2394
Tel No. (345) 945-6267
Fax No. (345) 945-6268
Email: financialsanctions@gov.ky

Mailing Address:

P.O. Box 1054
Grand Cayman KY1-1102
CAYMAN ISLANDS

Notice: Introduction of Global Human Rights Sanctions Regime **22/07/202**

The Financial Reporting Authority (“FRA”) has updated the “[LIST OF FINANCIAL SANCTIONS TARGETS, BY REGIMES IMPLEMENTED IN THE CAYMAN ISLANDS](#)” published on its website, for a new sanctions regime, Global Human Rights. [The Global Human Rights Sanctions \(Overseas Territories\) Order 2020 \(Order\)](#) came into force on 22 July 2020.

This Order extends with modifications [the Global Human Rights Sanctions Regulations 2020 \(S.I. 2020/680\)](#) (“the GHRS Regulations”) as amended from time to time to all British overseas territories except Bermuda and Gibraltar (which implement sanctions under their own legislative arrangements). Section 63(3)(c) of the [Sanctions and Anti-Money Laundering Act 2018](#) (“the Sanctions Act”) provides that Her Majesty may by Order in Council provide for any provision of Part 1 of that Act, or any regulations under Part 1 of that Act, to extend with or without modifications to any of the British overseas territories. Section 63(4) provides that this includes the power to extend any regulations as amended from time to time.

The GHRS Regulations were made under Part 1 of the Sanctions Act to establish a sanctions regime for the purpose of deterring, and providing accountability for, activities which, if carried out by or on behalf of a State, would amount to serious violations of certain human rights by that State. The activities could be carried out by a State or non-State actor.

The GHRS Regulations, as modified and extended to the British overseas territories listed in Schedule 1 by this Order (“the modified Regulations”), provide that a person designated by the Secretary of State for being, or having been, involved in such activities, is a designated person for the purposes of the modified Regulations. Designated persons may be excluded from the territory and may be made subject to financial sanctions, including having their funds or economic resources frozen.

The modified Regulations provide for certain exceptions to this sanctions regime (for example to allow for frozen accounts to be credited with interest or other earnings and to allow acts done for the purpose of national security or the prevention of serious crime). The Governor, with the consent of the Secretary of State, may issue a licence in respect of activities that would otherwise be prohibited under the modified

Regulations. Schedule 2 sets out the purposes under which the Governor will issue such licences. The modified Regulations also require the Governor of the territory to publish an up-to-date list of designated persons.

The modified Regulations prescribe powers for the provision and sharing of information to enable the effective implementation and enforcement of the sanctions regime. The modified Regulations make it a criminal offence to contravene, or circumvent any of the prohibitions in the modified Regulations and prescribe the penalties that apply to such offences.

The UK Government made immediate use of its new powers and added 47 individuals and 2 entities to the Global Human Rights Regime on 6 July 2020:

- 25 Russian nationals involved in the mistreatment and subsequent death of Sergei Magnitsky
- 20 Saudi nationals involved in the horrific murder of Jamal Khashoggi
- 2 high ranking Myanmar military generals involved in the systematic and brutal violence against the Rohingya population and other minorities
- 2 organisations involved in the forced labour, torture and murder that takes place in North Korea's gulags

The relevant Financial Sanctions Notice is published on the FRA's website at <http://fra.gov.ky/contents/page/1>.

All listings under the GHR sanctions regime will be published by the FCO on the [UK Sanctions List](#). Any listings with asset freezes or other types of financial restrictions will continue to be added to [OFSI's consolidated list](#) as well as the UK Sanctions List.

The notice for the new sanctions regime is published in the Extraordinary Gazette 60 of 22 July 2020.

Enquiries regarding this Financial Sanctions Regime should be addressed to:

The Sanctions Coordinator
Financial Reporting Authority
P.O. BOX 1054
Grand Cayman KY1-1102
Cayman Islands
financialsanctions@gov.ky