

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Notice to Financial Services Licence Holders

Financial Sanctions related to Terrorism & Terrorist Financing

The MFSA reminds all Licence Holders of the importance of keeping abreast with new and existing UN and EU financial sanctions and restrictive measures as may come into effect or as may be amended from time to time, and of ensuring compliance with the same at all times.

Particular reference is made to UN sanctions related to terrorism and terrorist financing, specifically UN Security Council Resolutions 1267 (1999) and UN Security Council Resolution 1373 (2001).

UN Security Council Resolution 1267 (1999)

Resolution 1267 (1999) has been transposed and given effect in Malta by virtue of [SUBSIDIARY LEGISLATION 365.07 UNITED NATIONS SANCTIONS \(TALIBAN\) REGULATIONS](#). Additionally, Resolution 1267 (1999) was adopted by the Council of the European Union and given effect in the EU by virtue of *Council Regulation (EC) No 881/2002 of 27 May 2002 imposing certain specific restrictive measures directed against certain persons and entities associated with Usama bin Laden, the Al-Qaida network and the Taliban*, which Regulation has direct effect in Malta. The lists of persons, entities and bodies subject to sanctions under Resolution 1267 (1999) and restrictive measures under Council Regulation (EC) No 881/2002 are constantly being updated by virtue of updates and implementing regulations.

UN Security Council Resolution 1373 (2001)

Resolution 1373 (2001) has been transposed and given effect in Malta by virtue [SUBSIDIARY LEGISLATION 365.14 SECURITY COUNCIL RESOLUTIONS \(TERRORISM\) REGULATIONS](#). In addition, Resolution 1373 (2001) was adopted by the Council of the European Union and given effect in the EU by virtue of *Council Regulation (EC) No 2580/2001 of 27 December 2001 on specific restrictive measures directed against certain persons and entities with a view to combating terrorism*, which Regulation has direct effect in Malta. The lists of persons, entities and bodies subject to sanctions under Resolution 1373 (2001) and restrictive measures under Council Regulation (EC) No 2580/2001 are frequently updated by virtue of updates and implementing regulations.

Licence Holders are required to keep up-to-date with all amendments to UN Security Council Resolutions 1267 (1999) and 1373 (2001) and Council Regulation (EC) No 881/2002 and Council Regulation (EC) No 2580/2001, particularly amendments to the lists of person, entities and bodies sanctioned or subject to restrictive measures. In this respect, Licence Holders may wish to consult the portals of the Security Council Committee pursuant to resolutions 1267 (1999) and 1989 (2011) concerning Al-Qaida and associated individuals and entities available at http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml and the Security Council Counter-Terrorism Committee available at <http://www.un.org/en/sc/ctc/>. Both portals provide useful information on the respective Resolutions including details on the measures implemented and updated compilations of persons, entities or bodies currently listed. Licence Holders may also wish to consult the portal for European Union legislation accessible at <http://eur-lex.europa.eu/homepage.html>.

The importance of UN Security Council Resolutions 1267 (1999) and its successor resolutions and 1373 (2001) are further highlighted in Recommendation 6 of the [FATF Recommendations](#).

Financial sanctions and restrictive measures related to terrorism and terrorist financing remain an important tool in the fight against terrorism. It is therefore of the utmost importance that all Licence Holders ensure that they have in place adequate measures and systems to enable them to ensure immediate and full compliance with all provisions of such international sanctions and restrictive measures on a continuous basis. Licence Holders are reminded of the serious consequences at law and the reputational damage that would result from any failure to comply with the requirements of international sanctions and restrictive measures, both for the Licence Holder involved and Malta itself.

For additional reference purposes, the MFSA maintains a section on *International Sanctions* on its website accessible at <http://www.mfsa.com.mt/pages/viewcontent.aspx?id=105> which is constantly updated. Whilst the MFSA makes every effort to ensure that the section is complete and up-to-date, it is intended to serve as guidance only and is not an official database comprising all sanctions in force in Malta. For primary sources of legislation, Licence Holders may wish to consult Maltese legislation accessible at <http://www.justiceservices.gov.mt/>, European Union legislation accessible at <http://eur-lex.europa.eu/homepage.html>, and resolutions of the UN Security Council accessible at <http://www.un.org/en/sc/documents/resolutions/index.shtml>.

Any queries may be submitted on enforcement@mfsa.com.mt and addressed to Director, Enforcement Unit.

**Communications Unit
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