

To:

Financial Intelligence Unit of Sri Lanka,
Regulatory Authority of Licensed Banks,
Regulatory Authority of Licensed Finance Companies,
Regulatory Authority of Insurance Companies,
Regulatory / Supervisory Authorities of Stock Brokers,
Regulatory Authority of Authorized Money Changing Companies,
Authorities / Agencies registering movable and immovable property,
Custom Authority,
Immigration Authority,
Law Enforcement Agencies,
Regulatory / Supervisory Authorities for Nonprofit Organization,
Regulatory / Supervisory Authorities of any other institutions as the case may be.

United Nations Regulations No. 1 of 2012

Directives issued by the Competent Authority, under section 12 (3) of United Nations Regulations No.1 of 2012.



GOTABAYA RAJAPAKSA RWP RSP psc
Secretary
Ministry of Defence & Urban Development
Competent Authority

Colombo
08 April 2014

**UNSCR 1373 Implementation Practices and Enforcement Obligations Directives
No.1 of 2014**

1. These Directives shall be cited as the United Nations Security Council Resolution (UNSCR) 1373 Implementation Practices and Enforcement Obligations, Directives No. 1 of 2014.

2. United Nations Regulations No. 1 of 2012 (hereafter referred to as Regulations) was promulgated by the Minister of External Affairs under Section 2 of United Nations Act No.45 of 1968 and implemented through Gazette Notification No. 1758/19 dated 15 May 2012.
 - (i) Objective of the above Regulations is to facilitate the implementation more specifically of paragraphs (c) and (d) of Article I of the United Nations Security Council Resolution (UNSCR) 1373 within Sri Lanka.
 - (ii) For the purpose of implementation of the Regulations, Secretary to the Ministry of Defence and Urban Development has been appointed as Competent Authority by the Minister of External Affairs in consultation with Minister of Defence and Urban Development.
3. In order to expeditiously and effectively implement the provisions of the above Regulations, the following procedure shall be followed.
 - (i) The Competent Authority shall publish in Gazette any updates to the list of individuals and entities (referred to as List) and communicate the same to the Financial Intelligence Unit of Sri Lanka (FIU).
 - (ii) The FIU shall electronically forward the updates mentioned in (i) above to the Licensed Banks (LBs) , Licensed Finance Companies (LFCs), Insurance Companies (ICs), Stock Brokers (SBs), Authorized Money Changing Companies (AMCCs) and any other institutions as the case may be and to the relevant regulatory / supervisory authorities.
 - (iii) The Competent Authority shall forward the same updates to the List to the authorities/agencies that register movable and immovable property, custom authority, immigration authority and appropriate law enforcement agencies.

(iv) The Competent Authority shall forward the same updates to the List to the regulatory / supervisory authorities for nonprofit organization so such authorities may assist in preventing such organizations from making available any funds, financial assets or economic resources to designated individuals and entities.

4. With regard to actions to be taken on funds, financial assets or economic resources held in the form of bank accounts, stocks or insurance policies etc., the FIU shall issue directives to the LBs, LFCs, ICs, SBs AMCCs and any other institution as the case may be requiring them to;

(i) Maintain updated lists of persons and entities designated and check on the given parameters on a regular basis to verify whether individuals or entities so listed (collectively hereinafter referred to as designated individuals / entities) are holding any funds, financial assets or economic resources in the form of bank accounts, stocks or insurance policies etc., with them.

(ii) In case the particulars of any of the customers match with the particulars of designated individuals/entities, the LBs, LFCs, ICs, SBs AMCCs and any other institution as the case may be shall immediately, freeze the particular assets, and inform full particulars of the funds, financial assets or economic resources held in the form of bank accounts, stocks or insurance policies etc. and subsequent attempted transactions on such frozen assets to the FIU on the same business day by fax No.011-2477692 and also convey over the telephone on 011-2477125. The particulars apart from being sent by post (to Financial Intelligence Unit, Central Bank of Sri Lanka, No: 30, Jandhipathi Mawatha Colombo-01) should necessarily be conveyed on e-mail: fiu@cbsl.lk.

(iii) The LCBs, RFCs, ICs, SBs, AMCCs and any other institution as the case may be shall also send by post a copy of the communication mentioned in (ii) above to the, to "Office of the Competent Authority, Ministry of Defence & Urban

Development, No. 15/5, Baladaksha Mawatha, Colombo". The particulars apart from being sent by post should necessarily be conveyed on e-mail: camod@defence.lk.

- (iv) In the event that there is a match of any of the customers with the particulars of designated individuals/entities, the LCBs, RFCs, ICs, SBs, AMCCs and any other institution as the case may be shall not make available any funds, financial assets or economic resources directly or indirectly to or for the benefit of any such designated individuals/entities and shall prevent them from conducting any transactions.
5. Actions to be taken with regard to economic resources in the form of movable or immovable properties
- (i) Competent Authority shall forward any updates to the Lists to the authorities performing the work of registration of movable and immovable properties, custom authority and regulatory / supervisory authorities for nonprofit organization.
- (ii) In the event that there is any match with the designated individuals/entities, the authorities /agencies that register movable and immovable properties, custom authority, regulatory / supervisory authorities for nonprofit organization shall immediately freeze performing the work of registering the particular assets or permitting any transfer of an asset and keep note on the existing registration status of the property as an asset subject to freezing under Regulations and communicate the complete particulars of such individuals/entities along with complete details of movable and immovable properties to the Competent Authority immediately on the same business day by fax No.0094 112390288 and also convey over the telephone on 0094 112396072 The particulars apart from being sent by post (Office of the Competent Authority, Ministry of Defence & Urban Development, No. 15/5,

Baladaksha Mawatha, Colombo 01) should necessarily be conveyed by e-mail: camod@defence.lk.

(iii) This process shall take place without prior notice, to the designated individuals/ entities.

6. The FIU and relevant regulatory/supervisory authorities of LCBs, RFCs, ICs, SBs AMCCs and any other institution as the case may be under the Regulations shall:

(i) Issue directives rules and guidelines to LCBs, RFCs, ICs, SBs AMCCs and any other institution as the case may be in relation to implementation practices and enforcement of obligations under the Regulations.

(ii) Carry out examination for the purpose of ensuring compliance with the above Regulations and directives rules and guidelines issued under these Regulations.

(iii) Impose administrative sanction on any violation of an obligation under the Regulations.

7. Competent Authority shall monitor compliance of authorities / agencies registering movable and immovable property, custom authority, immigration authority, law enforcement agencies, regulatory / supervisory authorities for nonprofit organization, regulatory / supervisory authorities of any other institutions as the case may be.