



BORD TA' SORVELJANZA DWAR IS-SANZJONIJIET
SANCTIONS MONITORING BOARD
MALTA

04 May 2020

Circular 1/2020

Administrative Penalties under the National Interests (Enabling Powers) Act.

The Sanctions Monitoring Board wishes to draw your attention to Act XX of 2020 dated 23 April 2020 amending the National Interest (Enabling Powers) Act, linked hereunder:

<http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lp&itemid=30101&l=1>

Amongst other, these amendments empower the Sanctions Monitoring Board to mete out administrative penalties for any violation of Article 17(6) of the National Interest (Enabling Powers) Act which is applicable to any legal or natural person conducting a relevant activity or relevant financial business as defined in the Prevention of Money Laundering and Funding of Terrorism Regulations. The obligations as per article 17(6) are as follows:

1. To regularly check the list of UN, EU or national designations and to screen client databases against those lists on a regular basis and immediately after a change to any of those lists occurs.
2. To have in place and effectively implement internal controls and procedures to ensure compliance with the obligations arising from the Act and any relevant UN resolutions, EU regulations or national measures.
3. To notify the Board in case targeted property is identified and of the actions taken in relation to such property in compliance with the requirements under this Act.

The administrative penalties may be meted out directly by the Sanctions Monitoring Board without recourse to court proceedings. The penalties may be imposed as a one-time fixed sanction or as a daily cumulative sanction or both. One-time fixed sanctions range from one hundred Euros (100€) to three hundred Euros (300€) for every separate contravention and from three hundred (300€) to eight hundred Euros (800€) for serious, repeated and systematic contraventions. Daily cumulative penalties range from fifty Euros (50€) up to a total of one thousand Euros (1000€). In addition, the Board may issue directives requiring any person to take action to remedy the contravention.

In case any further information is required in relation to Act XX of 2020, kindly contact the Sanctions Monitoring Board on sanctions.mfea@gov.mt