



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

15 November 2022

Guidance note on the listings by OFAC of one Maltese entity

On 15 April 2021, the President of the United States of America issued Presidential Executive Order 14024: Blocking Property With Respect To Specified Harmful Foreign Activities of the Government of the Russian Federation. On the basis of the same Executive Order, the United States Office of Foreign Assets Control (OFAC) has on 14 November 2022 designated one Maltese entity for having operated in the aerospace sector of the Russian Federation economy and for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, an OFAC designated individual. OFAC accordingly has identified eight aircrafts as blocked property in which the designated entity and the operator of the luxury planes, has an interest.

The Sanctions Monitoring Board (SMB) is aware of the designation imposed by the OFAC Notice and is participating in investigations. The SMB recalls that OFAC sanctions are not enforceable in Malta, in line with its Guidance Note regarding hits on National sanctions issued by Other States dated May 2021. However, the SMB recommends that Maltese economic operators undertake the necessary due diligence when dealing with persons, entities and bodies listed by national sanctions of other countries, particularly paying close attention to the reasons why such sanctions have been imposed and to consider any transaction or dealings considering due diligence and KYC obligations, including AML/CFT obligations where applicable.

The SMB is therefore calling for special attention regarding the decisions taken by the OFAC, considering that Maltese national and legal persons, entities and bodies feature on the list. The SMB strongly recommends that all Maltese economic operators and financial institutions in the Republic of Malta exercise enhanced due diligence when dealing with the persons, entities and bodies listed by the OFAC and with assets belonging to these persons, entities and bodies.