

# The Central Bank of The Bahamas

## NOTICE

### RE: ORDERS MADE PURSUANT TO THE INTERNATIONAL OBLIGATIONS (ECONOMIC AND ANCILLARY MEASURES) ACT CHAPTER 16

The Government of The Bahamas has implemented the following Orders under the International Obligations (Economic and Ancillary Measures) Act, Chapter 16 of the Revised Statute Laws of The Bahamas, 2000 (“the Act”):

- International Obligations (Economic and Ancillary Measures) (Democratic Republic of the Congo) Order, 2008 - (S.I. No. 99 of 2008) (“**the Congo Order**”);
- International Obligations (Economic and Ancillary Measures) (Iran) Order, 2008 - (S.I. No. 105 of 2008) (“**the Iran Order**”);
- International Obligations (Economic and Ancillary Measures) (Democratic People’s Republic of Korea) Order, 2008 - (S.I. No. 106 of 2008) (“**the Korea Order**”).

The Act authorizes the Governor-General to issue orders or regulations for the purpose of implementing the decisions, resolutions or recommendations of international organizations or associations of states of which The Bahamas is a member that request their members to take economic measures against a foreign state. The economic measures which may be imposed pursuant to orders or regulations issued under the Act include but are not limited to:

- the seizure of, freezing or sequestration of property owned by the foreign state in question;
- prohibiting or restricting persons in The Bahamas or Bahamians outside of The Bahamas from:
  - dealing with any property held by or on behalf of the foreign state;
  - selling or supplying arms to foreign states, entities, or individuals;
  - or
  - providing technical advice, financial assistance or training to foreign states, entities or individuals.

Licensees are asked to familiarize themselves with all of these Orders, and to take appropriate action to prevent their institutions from being used to breach the provisions of these Orders.

#### **The Congo Order**

Licensees should note that paragraph 2 of the Congo Order prohibits persons in The Bahamas and Bahamians outside of The Bahamas from directly or indirectly, supplying, selling or transferring to non-governmental persons and entities in the Congo, by way of a Bahamian

registered vessel or aircraft, arms or related material. Paragraph 2 also prohibits the provision of advice, assistance and training related to military activities, including financial assistance, to non-governmental persons and entities in the Congo.

Paragraph 3 of the Congo Order freezes funds, other financial assets and economic resources held in banks or financial institutions licensed in The Bahamas which are owned or controlled directly or indirectly by the persons or entities listed in the Schedule to the Congo Order or any person or entity designated by the Committee established pursuant to paragraph 8 of the United Nations Security Council Resolution 1533 (2004), or any person acting on their behalf or at their discretion.

### **The Iran Order**

Licensees should note that paragraph 2 of the Iran Order inter alia, prohibits the provision of technical assistance or training, financial assistance, investment, brokering or other services that are related to the supply, sale, transfer, manufacture or use of the prohibited items, materials, equipment, goods and technology set out in the First Schedule of the Iran Order.

Paragraph 3 of the Iran Order freezes funds, other financial assets and economic resources held in banks or financial institutions licensed in The Bahamas which are owned or controlled directly or indirectly by the persons or entities listed in the Second Schedule to the Iran Order or any person or entity designated by the Committee established pursuant to paragraph 18 of the United Nations Security Council Resolution 1737 (2006), or any person acting on their behalf or at their discretion. Affected funds, other financial assets and economic resources must remain frozen unless the conditions of paragraph 4(b) (i) of the Iran Order are met.

### **The Korea Order**

Licensees should note that paragraph 2 of the Korea Order prohibits persons in The Bahamas and Bahamians outside of The Bahamas from directly or indirectly, supplying, selling or transferring to the Democratic People's Republic of Korea, by way of a Bahamian registered vessel or aircraft, the weapons and military systems as defined for the purpose of the United Nations Register on Conventional Arms, or related materials including spare parts, or items as determined by the Security Council or the Committee established pursuant to paragraph 12 of the United Nations Security Council Resolution 1718 (2006), the items, materials, equipment, goods and technology set out in the Schedule to the Korea Order and luxury goods. Paragraph 2 also prohibits the provision of technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of the items set out in the Korea Order to the Democratic People's Republic of Korea.

### **Request For Information**

Pursuant to authority provided under section 35 of the Central Bank of The Bahamas Act, Chapter 351, the Central Bank hereby requires that all banks and trust companies licensed in The Bahamas, as a matter of high priority, review their client records to determine whether or not they hold funds, other financial assets or economic resources which are either owned or controlled directly or indirectly by the persons or entities listed in the Schedule to the Congo Order and in the Second Schedule to the Iran Order, or any person or entity designated by the

Committee established pursuant to paragraph 8 of the United Nations Security Council Resolution 1533 (2004) and paragraph 18 of the United Nations Security Council Resolution 1737 (2006) respectively, or any person acting on their behalf or at their discretion<sup>1</sup>, and report positive findings to the Central Bank on or before **April 3<sup>rd</sup>, 2009**.

Licenses should also report to the Central Bank on the date aforementioned any transactions, which appear to them to contravene paragraph 2 of the Korea Order.

Copies of all the Orders referenced above may be obtained from:

**Government Publications  
Bay Street  
Nassau  
The Bahamas**

Response to this notice should be addressed to:

The Policy Unit  
Bank Supervision Department  
Central Bank of The Bahamas  
P.O. Box N-4868  
Nassau, Bahamas  
Telephone: (242) 302-2615  
Fax: (242) 356-3909  
Email: [Policy@centralbankbahamas.com](mailto:Policy@centralbankbahamas.com)

**Issued: 23<sup>rd</sup> March 2009**

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<sup>1</sup> [http://www.un.org/Docs/sc/unsc\\_resolutions04.html](http://www.un.org/Docs/sc/unsc_resolutions04.html)  
[http://www.un.org/Docs/sc/unsc\\_resolutions06.htm](http://www.un.org/Docs/sc/unsc_resolutions06.htm)