

Administrative Decision No. (11) of 2019

Regarding

**The Procedures of Implementing Federal Cabinet Decision No. 20 of 2019 on
Terrorism Lists Regulation and Implementation of UN Security Council Resolutions
on the Suppression and Combating of Terrorism, Terrorist Financing and
Proliferation of Weapons of Mass Destruction, and Related Resolutions**

Chairman of Committee for Goods and Material Subjected to Import and Export,

Having considered the Federal Resolution No. (13) On commodities subject to import and export control, Amended by Decree-Law No. 12 of 2008, and

The Federal Decree-law No. (20) Of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism and Illegal Organizations, and

The UAE Cabinet issued resolution number 3/99 of 2009 establishing the Committee for Goods and Materials Subject to Import and Export Control, and

The Cabinet Decision No. (14/9/234) of 2015, Session No. (9) On the commissioning of the executive office of the Committee for Goods and Material subjected to Import and Export to implement security council resolutions, and

The Cabinet Decision No. (10) of 2019 Concerning the implementing regulation of decree law no. (20) of 2018 on anti- money laundering and combating the financing of terrorism and illegal organizations, and

The Federal Cabinet Decision No. 20 of 2019 regarding Terrorism Lists Regulation and Implementation of UN Security Council Resolutions on the Suppression and Combating of Terrorism, Terrorist Financing and Proliferation of Weapons of Mass Destruction, and Related Resolutions, and

The Foreign Minister's Ministerial Resolution No. (611) of 2019 on the formation of a president and members for the Committee for Goods and Material subjected to Import and Export, and

The Administrative Decision of the State Minister for Foreign Affairs- Chairman of the Committee for Goods and Material subjected to Import and Export No. (10) of 2019 on the follow up mechanism for the implementation of Security Council Resolutions,

It has been decided that:

(Article One)

The Executive Office of the Committee for Goods and Material subjected to Import and Export shall be responsible for preparing and circulating procedures to execute the Federal Cabinet Decision No. 20 of 2019 regarding Terrorism Lists Regulation and Implementation of UN Security Council Resolutions on the Suppression and Combating of Terrorism, Terrorist Financing and Proliferation of Weapons of Mass Destruction, and Related Resolution attached herein, within one month from date in respect to Office obligations and the follow up of their application.

(Article Two)

This decision shall be communicated to all competent bodies to put it into force.

Anwar Mohammed Gargash

Minister of State for Foreign Affairs

Chairman of the Committee for Goods and Material subjected to Import and Export

Issued on: 10/03/2019

**The Procedures of Implementing Federal Cabinet Decision No. 20 of 2019
regarding
Terrorism Lists Regulation and Implementation of UN Security Council
Resolutions on the Suppression and Combating of Terrorism, Terrorist Financing
and Proliferation of Weapons of Mass Destruction and its Financing**

Introduction:

- The Cabinet Resolution No. 20 of 2019 of Article 10 included the procedures for dealing with Security Council sanctions lists in terms of:
 - a. Circulate the inclusion or re-listing of individuals and entities in Security Council sanctions lists and local lists of terrorism.
 - b. Remove names from Security Council sanctions lists.
 - c. Cancel the freezing of funds for names similar to those included in sanctions lists.
 - d. Allow the use of part of the frozen funds for those on the sanctions lists.

The paper below clarifies such actions, as well as the part of circulating domestic lists of terrorism to supervisory authorities, financial institutions and businesses and their non-financial professions and how to respond to the same in case of the availability of information and data about listed individuals or entities, based on a memorandum of understanding between Council and Office.

First- Definitions:

- **Competent Court:** The Court specialized in State Security Crimes.
- **Office:** The Executive Office of the Committee for Goods and Materials Subjected to Import and Export Control.
- **Council:** The Supreme Council for National Security.
- **Supervisory Authority:** Federal and domestic authorities entrusted by legislations to supervise Financial Institutions (FIs), designated non-financial Businesses and professions (DNFBPs) and Non Profitable Societies (NPSs); or the competent authority

to permit practicing a business or a profession, unless otherwise determined by legislations.

- **Sanctions Committee:** Security Council's committees established pursuant to all resolutions related to the prevention, suppression of terrorism and its financing and the cessation of weapon proliferation and its financing.
- **The Designated:** A person or entity included by the UN Security Council in the UN Sanctions List or by the Cabinet in the Local List, as the case may be.
- **Person:** Natural or Legal Person
- **Ombudsman:** An official appointed by the Secretary General of the United Nations to provide assistance to Sanctions Committee when considering requests of the names of terrorist individuals and entities from ISIS and al-Qaeda on the sanctions list.
- **Focal Point:** A center established within the Secretariat General under Security Council's Resolution 1730 (2006), specialized in receiving a petition for persons and entities who are in State or holders of State nationality, and who are included in the relevant list, when they wish to remove their names from such list.
- **Relevant United Nations Resolutions:** United Nations Resolutions 1988 (2011), 1267 (1999); 1989 (2011); 2253 (2015) and other resolutions related to ISIS (Islamic States of Iraq and the Levant "Daesh"); or Al Qaeda and all other persons and entities affiliated thereto. This is in addition to all current and future UN Resolutions related to Targeted Financial Sanctions concerning Terrorists Financing & Proliferation of Weapons of Mass Destruction and relevant financing.
- **Cabinet Resolutions:** Cabinet of Ministers' Resolutions concerning the approval of Local List.
- **Local (Domestic) List:** The List issued as per a decision from the Cabinet in accordance with the provisions of Article (3) of The Cabinet Resolution No. (20) of 2019 Concerning the Regulation of Terrorism lists and the implementation of the Security Council resolutions on the prevention, suppression of terrorism and its financing and the cessation of weapon proliferation and its financing.
- **Sanctions List:** A list that contains names of individuals and entities involved in the financing of terrorism or weapon proliferation and financing subject to sanctions prescribed in accordance with the Sanctions Committee affiliated to the Security Council and the related information to such individuals and entities and the grounds of listing therein.
- **Explanatory Summary:** The declared part of the reasons statement to include a person or entity by the Sanctions Committee on the sanctions list attached to the inclusion decision.

- **Funds:** Assets of any form, corporeal or incorporeal, tangible or intangible, movable or immovable, electronic, digital, or encrypted; including national and foreign currency, documents or bonds of any form, including electronic or digital form that prove the ownership of such assets or any related equities. This is in addition to economic resources, which are deemed to be assets of any type whatsoever, including natural resources and bank credits, cheques, pay orders, shares, securities, debentures and bills, and letters of credit. in addition to any other benefits, profits or incomes received or generated from such assets and that can be used to obtain any finance, goods, or services (including internet posting services or any other related services), if exploited to support terrorism and weapon proliferation and financing.
- **Freezing:** To prohibit the transfer, movement, exchange or disposal of funds in any way by virtue of an order of a competent authority, including the following:
 1. All funds owned or controlled by the Designated, but not limited to the funds that be confined or used in an act, plot, threat or agreement relating to terrorism, terrorism financing, or Proliferation of armaments and its financing.
 2. Funds that are wholly or jointly owned or controlled, directly or indirectly, by the Designated;
 3. Funds earned, derived or generated from funds owned or controlled directly or indirectly by a listed individual (designated) or entity.
 4. Funds for persons or entities acting on behalf of the designated or acting under its direction.
- **Without delay:** Taking actions including the freezing of funds within hours from the issuance of a listing decision by Sanctions Committee and the Council of Ministers; as the case may be, for the purpose of preventing the disposal of funds including smuggling and dissipation thereof.
- **Electronic System:** A secure electronic intermediary linking office with security and supervisory authorities, as well as other relevant competent authorities, for the purpose of sending and receiving any information related to the implementation of this decision

Second- Functions and Responsibilities of Office:

Terms of reference and Obligations of the Executive Office of the Committee for Goods:

For implementing the provisions of the Cabinet Resolution No. 20 of 2019, Office shall have the following functions:

1. Conduct required procedures to implement the resolutions of the United Nations Security Council pursuant to chapter VII of UN Charter as those related to Terrorism, Terrorism Financing, Prevention, Suppression and disruption of Proliferation of armament and it is financing and other resolutions immediately and without a prior notice to the designated. Upon issuance, the sanction list is to be circulated, via e-mail, to financial establishments, businesses and their non-financial professions. This also applies to those included in domestic terrorism lists as per Cabinet resolutions.
2. Immediate posting of the name of any listed on the Executive Office website (www.uaieiec.ae).
3. After the completion of funds freezing procedures, Office shall immediately notify the designated residing in Country about his inclusion in the sanctions list. The designated shall be directly provided with an explanatory summary or with information concerning the reasons of the listing, with a description of the repercussions of having the name listed in the sanctions list. The designated shall be also guided to Office website to recognize the procedure to be followed to complain / consider the request for the removal of name from sanctions list, to include the possibility of submitting such requests to the Ombudsman of the Security Council, as well as to submit a request to use part of the frozen funds.

(A designated person residing in Country, and is included in local terrorism list is directed to Ministry of Justice in case of having an inquiry about grievance procedure/ a request for the removal of name from local list of terrorism. This is besides the possibility of using part of the frozen funds in accordance with the provisions of the Cabinet resolution No. 20 of 2019).

Third- Circulation of designation and re-designation in UN sanctions lists or local lists of Terrorism:

1. Office receives information on the inclusion of individuals and entities in the list of Security Council sanctions from two sources, the first is Security Council website (which is followed up on a daily basis), and the second is the Permanent Mission of the UAE at the United Nations. However, for the inclusion in local lists of terrorism, Office receives information from the Supreme Council for National Security in accordance with Cabinet resolutions.

2. Office shall circulate any update in terms of inclusion, modification or deletion of the names of individuals and entities in Security Council sanctions list or local lists of terrorism, without delay and without a prior notice, by sending such names through the electronic system to security agencies and regulatory authorities, and get an acknowledgment of receipt. Office, as an additional measure, shall circulate the same via e-mail to financial establishments, nonfinancial businesses and professions related to supervisory authorities, as well as to participants in “ List of International and Local Sanctions” Page at the Committee for Goods website.
3. Cabinet Resolution No. 20 of 2019 stipulates that in the event information or data are available about the listed individuals or entities, financial institutions, businesses and professions shall inform their security agencies and supervisory authorities, which in turn notify Office via electronic system about the same within five working days.
4. Office shall send information and data received from security agencies and supervisory authorities to sanctions committee through the UAE Permanent Mission to the United Nations. A copy of the same shall also be sent to International Security Cooperation Department and the United Nations Department at Ministry of Foreign Affairs and International Cooperation. However, information and data related to local lists of terrorism shall be sent to the Supreme Council for National Security via the encrypted electronic system.

(All steps above shall apply to decisions of re-designation in lists)

Fourth- Procedure

Names Removal from Security Council Sanctions List:

1. Office shall direct the designated within the Security Council sanctions committees lists to the website of the Office in order to familiarize the designated with the mechanism and address of submitting requests to Coordination Office. Individuals included within ISIS or Al Qaeda sanctions list shall be directed to submit a request to Security Council ombudsman. (Designated individuals included in local lists of terrorism are referred to Ministry of Justice according to jurisdiction)
2. A designated willing to remove his name from sanctions list shall submit an official letter to Coordination Office for consideration and coordination with concerned states as appropriate.
3. Office shall receive additional information request from Coordination Office or Ombudsman to remove a designated name from sanctions list.
4. Office and other concerned entities that provide assistance shall consider a request for de-name (removal of designated name) from sanctions list during the period specified by the Coordination Office. Office shall also be provided with comments and the right

of an individual or entity to remove his or its name from sanctions list. Office shall be entitled to ask any question or demand any other clarifications to be sent to applicant. Office shall also respond to any other inquiries submitted by Coordination Office or Ombudsman.

5. For the deceased person, Office shall apply for a removal of the name of the listed person in sanctions list to sanctions committee, attached thereto is death certificate, in addition to a request to remove entity name, which no longer exists or has an actual activity. Office shall also take necessary measures to verify that no funds, which were possessed by the designated individual or entity, have been transferred or distributed, at any time, to any other person included in the sanctions list. This is also includes verifying that none of the heirs or beneficiaries of frozen funds is included in the sanctions list. Office shall also notify the Sanctions Committee of the Security Council about the same.
6. Office shall take necessary measures mentioned in Item (2) to remove the listing and cancel its effects after receiving the response from the Security Council Sanctions Committee.
7. In the event that Country is the part that suggested the inclusion of a name in sanctions list, and a request for the removal of such name was submitted to Coordination Office or Ombudsman, Office shall then coordinate with the Council to consider the said request and initiate the above-mentioned procedures

Fifth- Calling off Funds freezing based on Similarity of Names to those listed in the Sanctions Lists:

The De-freeze mechanism of persons or entities having similar names to listed individuals or entities in the Sanctions List shall be in accordance with the following:

1. Whomever had their funds frozen inside the State, shall submit a written de-freeze request to Office attaching all supporting documents proving that he is not the Designated in the Sanctions List.
2. Office shall investigate request and [the Office] shall have the right to request any additional clarifications or documents deemed fit from the petitioner or any other entity.
3. Office shall issue its decision concerning the request, whether by rejection or approval, within **thirty (30) working days** from receiving the request of the de-freeze.
4. Office shall inform applicant and funds freezing authority of its decision, whether rejections or approval, and the freezing authority shall immediately implement the decision.

5. If freezing request was rejected, or a response is not received within thirty days as of the date submitted, applicant shall be entitled to plea/grieve before competent court within **thirty (30) working days** of receiving rejection or in case the period of response to request has elapsed.
6. The Competent Court's order shall be final regarding the plea/grievance and it shall be unappeasable; therefore, if the plea/grievance was rejected, it is not permissible to submit a new one except after **three (3) months** of the date of rejection, unless there are serious grounds to plea before the expiration of three months.
7. Plea/Grievance to the freezing order shall not be accepted if submitted before an application was submitted to the Office and was rejected or before expiration date of the Office's time lime to response to the request; in accordance with the provisions above.

Sixth- Permitting the use of parts of the frozen funds pursuant to the Sanctions List

1. Office shall approve the use of parts of the frozen funds pursuant to the Sanctions List, for each of the following:
 - a) To pay necessary or principal expenses for the listed individual whose funds are frozen, i.e. amounts paid for food, rent, mortgage, medicine, medical care, insurance premium, education, legal fees and general public expenses.
 - b) To pay for professional fees and expenditures concerning those related to legal service fees within reasonable limits, or services fees related to maintaining and management of frozen funds.
 - c) Any extraordinary expenses other than those prescribed in Paragraph (A) and (B) of Clause (1).
2. Requests, by the Designated for the purpose of approving any of the provided for in the paragraphs of Clause (1), or any of their representatives, shall be submitted directly to the Office, attaching all supporting documents with the application.
3. Office shall study the applications/requests stipulated in Clause (2), its grounds and the amounts of money required; the Office shall also have the right to reduce the amounts required or reject it based on justified grounds.
4. In case the application/request is related to the expenses mentioned in paragraphs (A) and (B) above in Clause (1), the Office, then, shall notify the Sanctions Committee of their desire to approve the application/request in accordance with the provisions of Clause (2). And in case the Sanctions Committee did not express opposing decision; or in the case it did not reject the request within **five (5) working**

days from the date it was notified; the de-freezing of the amounts approved by the Office shall pass. The freezing authority shall be notified in writing and they shall immediately have to enforce the decision. The freezing authority shall inform the Office of the procedures taken in this regard.

5. In case of Paragraph (C) in Clause (1); Office shall; obtain the Sanctions Committee's written consent to the application/request.
6. For the purposes of Clauses (4) and (5), Office shall notify the Designated, or their representative(s) about the approval or the rejection to the application/request in writing.

Seventh- Obligations of Financial Institutions and Definite Non-financial businesses and Professions

1. Perform an immediate search process once an email is received from office for listing an individual or an entity and taking freezing procedure in the event of any match, as follows:
 - a) Search in customers' database
 - b) Search for names related to their customers transactions
 - c) Search for names of potential customers
 - d) Search for names of persons and entities with whom a direct or indirect relation exists.

Also, conduct ongoing search in customers' database before commencing any transaction or entering into serious business relationship with any person in order to ensure that his name is not included into local or sanctions List, or removed from list, unless otherwise a prior written notification has been received by supervisory authority to not remove such name for any other reason.

2. Immediate report to supervisory authority in the following cases:
 - a) Freezing of funds without a prior notice to the Designated, and providing Supervisory Authority with all details concerning the designated or any procedures taken pursuant to prohibition requirements set out by relevant Security Council or Cabinet resolutions, including any attempted transactions.
 - b) If it has become evident that any former customer or any of his occasional customers is included in local or sanctions list.
 - c) Not taking any action due to similarity of names, and failure to remove such similarity using available or accessible information.

- d) Funds freezing cancellation within **five (5) working days** as of the date of freezing call off decision ,and provide supervisory authority with information related to funds, including funds status, nature, value, measures taken and any other information related to resolutions thereof. In addition, ensure that provided information is accurate.

The Supervisory Authority shall inform Office via encrypted electronic system within five working days of the date of its notification of the information available on the designated individuals or entities as well as the actions taken by financial institutions, businesses and non-financial professions, in order to coordinate with relevant sanctions committee of the Security Council. However, coordination with Council shall be performed in respect to the designated individuals or entities in domestic list of terrorism.

Eighth- Obligations of Natural and Legal Persons

1. Each Person shall; without delay and without prior notice; freeze funds that are in his possession, under his control or administration, are possessed, controlled, or owned by a Designated, fully or partially, directly or indirectly, or by a person functioning on behalf of the Designated, or under the designated directions, or owned, controlled by that Designated, directly or indirectly. However, such person shall notify competent authorities about the same.

In all cases, the rights of *bona fide* for third parties shall be taken into account upon the implementation of any of the freezing procedures.

2. Funds that are under any person's possession, control, or administration, and other financial services shall not be made available, directly or indirectly, to the designated or to the designated benefit, except with a permission by Office and after coordination with Council or relevant sanctions committee or in accordance with relevant Cabinet or Security Council resolutions, as the case may be.

Ninth- Administrative Measures

1. Office shall post on its official website procedures to submit requests for the removal of names from the sanctions list as well as waivers from freezing measures.
2. The implementation of the Freezing Order, pursuant to Security Council's resolutions 1718 (2006) and 2231 (2015) shall not prevent adding to the frozen accounts any payments due under contracts, agreements or obligations agreed upon prior to the date

of these accounts being subject to the provisions of this decision, provided that Office be reported about such payments.

3. The implementation of the Freezing Order, pursuant to Security Council's resolutions 1737 (2006) and extended in accordance with Resolution 2231 (2015) or made under Resolution 2231 (2015), shall not prevent the Designated from being entitled to any payables as per contract made before the date of designation in the Sanctions List; in accordance with the following terms:
 - a. Office determines that the contract is not related to any of the clauses, materials, equipment, goods, technologies, assistance, training, or any financial assistance, investment, brokerage, or prohibited services referred to in the Security Council resolution 2231 (2015) and any other subsequent future decisions.
 - b. Office determines that payment is not directly or indirectly received by ant designated pursuant to Paragraph (6) of Appendix (B) of Security Council Resolution No. 2231 (2015).
 - c. Office submits to the Security Council a prior notification requesting that these payments be paid or received, or a declaration, if necessary; to cancel the freezing of funds for this purpose, within ten (10) working days before the issuance of such declaration.

Tenth- General provisions in Cabinet Resolution No. 20 of 2019:

1. The regulatory authority shall carry out all measures that will ensure the compliance of specified financial institutions, businesses and non-financial professions to the implementation of relevant Security Council Resolutions, and shall impose appropriate administrative sanctions in case such institutions, businesses and non-financial professions violate or fail to apply the provisions of this resolution.
2. Any person is exempted from administrative liability for damage or claim resulting, in goodwill, from freezing funds or refusing to allow their disposal, or refusal to provide financial services related to such funds, or to implement any other obligation under the provisions of this decision.
3. Anyone who may have access or knowledge, by virtue of his work, directly or indirectly, to any information provided or shared pursuant to the provisions of this resolution, shall refrain from disclosing such information in any way whatsoever except for the purposes of implementing this resolution.
4. Anyone who violates the obligations set out in the Cabinet Resolution shall be punished with penal and administrative penalties stipulated in the Federal Decree No. (20) of 2018 on anti-money laundering and countering the financing of terrorism and illegal organizations.