



## ATTORNEY GENERAL'S CHAMBERS CAYMAN ISLANDS

### Notice to the Cayman Islands Financial Industry

#### Libya Asset Freeze

The Anti-money Laundering Steering Group ("AMLSG") wishes to advise the Cayman Islands financial industry in relation to the restrictive measures recently adopted by the **UN Security Council Resolution 1970 (2011)** ("**Security Council Resolution**") and Council Regulation (EU) No. 204/2011 ("Council Regulation") in respect of certain Libyan persons and entities.

Following UN Council Security Resolution 1970 (2011) of 26 February 2011, Council Regulation (EU) No. 204/2011 was adopted on 2 March 2011 and implements the provisions of UNSCR 1970 (2011), and imposes additional EU restrictive measures to be directed against certain persons, in view of the situation in Libya. These measures were outlined in Council Decision 2011/137/CFSP of 28 February 2011 ("Council Decision").

#### Summary of Measures:

1. The Security Council Resolution provides for an arms embargo, a ban on internal repression equipment, as well as a travel ban and the freezing of funds and economic resources of certain persons and entities involved in serious human rights abuses against persons in Libya, including by being involved in attacks in violation of international law, on civilian populations and facilities. Designated persons are listed in the Annex II to the UN Resolution.
2. The Council Decision extended the scope of the travel ban and asset freeze to include additional individuals subject to EU measures. The EU imposed a wider travel ban on individuals in Annex II to the Council Decision and an asset freeze on individuals listed in Annex III to the Council Regulation.
3. The Council Regulation was adopted in order to give the UN restrictive measures, and EU measures legal effect in all 27 EU member states.
4. Twenty-six (26) individuals have now been designated and are subject to restrictive measures.

Although these measures are not yet in force in the Cayman Islands, it is anticipated that the UK Government will shortly be issuing an Order in Council ("OIC") in this regard. This Order will give direct effect to the relevant restrictive measures in certain Overseas Territories, and will then be enforced in the Cayman Islands as part of its domestic laws.

Pending the coming into effect of the UK OIC, it is important that relevant Cayman Islands authorities and the local financial industry take positive and proactive action in this regard. The industry is therefore strongly encouraged to take steps to identify and appropriately manage relevant assets in the Cayman Islands which involves those assets held by the specified persons/entities in the attached Security Council Resolution and Council Regulation. Such measures could include enhanced monitoring and/ filing of

SAR's where appropriate. We would further suggest that financial institutions incorporate the UN and EU actions into their AML/CFT risk assessment framework.

In light of the above, the AMLSG is asking for industry cooperation and will issue further information on the UK OIC as the situation warrants.



**Samuel Bulgin, QC, JP**  
**Hon. Attorney General**  
**Chair of the Anti-Money Laundering Steering Group**

**Media Note: The AMLSG is established under section 5 of the Proceeds of Crime Law, 2008 and consist of the following persons; The Attorney General (Chair), the Financial Secretary (Deputy Chair), the Commissioner of Police, the Collector of Customs, the Managing Director of the Cayman Islands Monetary Authority (CIMA) and the Solicitor General. The Group has responsibility for the general oversight of the anti-money laundering policy of the Government, among other things.**