

FSC Newsletter

UN SANCTIONS: FREEZE AND TRANSFER OF IRAQI ASSETS

You should be aware of Gibraltar's international obligation to freeze and transfer illicit Iraqi funds. This newsletter is a reminder of these obligations.

Under UNSCR 1483 (22 May 2003) UN member states are required to freeze and transfer to the Development Fund for Iraq three categories of Iraqi assets:

- those of Iraqi government or state entities;
- those removed from Iraq by Saddam Hussein and his senior officials; and
- those of front companies belonging to Saddam Hussein and his senior officials.

The assets of the Iraqi government or state entities to be frozen are assets held on 22 May 2003. Those assets of Saddam Hussein, his senior officials and their front companies are assets held on or after 22 May 2003.

The UN Iraq Sanctions Committee has adopted a list of Saddam Hussein's senior officials (the 55 playing card names) and the Bank of England has issued a notice listing government entities, with a view to these entities being listed at the UN in due course.

We are aware that use has been made of front companies in at least one other territory to conceal Iraqi funds. There is no evidence to suggest that there may be funds in Gibraltar that are under the control of one of the 55 listed Iraqis which might be able to be frozen and transferred before a list is produced at the UN. We would however, be grateful if you could advise the Gibraltar Financial Intelligence Unit on any suspect companies or funds.

You may find these websites useful in relation to this:

Bank of England:

<http://www.bankofengland.co.uk/>

UN's 661 Sanctions Committee:

<http://www.un.org/Docs/sc/committees/IraqKuwait/IraqSanctionsCommEng.htm>

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