2024 **OFFICIAL GAZETTE OF THE REPUBLIC OF SURINAME** **No. 100**

Act of 2 August 2024 further amending the International Sanctions Act (S.B. 2014 no. 54, as amended by S.B. 2016 no. 31).

THE PRESIDENT OF THE REPUBLIC OF SURINAME,

Considering that - in order to comply with the international standards of the Financial Action Task Force - it is necessary to further amend the International Sanctions Act;

After approval by the National Assembly, having heard the State Council, has ratified the following Act:

ARTICLE I

The following amendments are made to the International Sanctions Act (S.B. 2014 no. 54, as amended by S.B. 2016 no. 31):

A. Article 1 shall read:

For the application of the provisions of or pursuant to this Act, the following terms shall be understood to mean:

a. Minister: the minister responsible for foreign affairs;

b. Sanction Decision: the State Decree as referred to in Article 2, paragraph 1;

c. Sanction Regulation: the order as referred to in Article 2, paragraph 2;

d. Council:	the International Sanctions Council referred to in Article 5;
e. Service Provider:	service provider as referred to in article 1 under a to e of the Prevention and Combating of Money Laundering and Terrorism Financing Act (WMTF);
f. Supervisors:	the institutions referred to in article 38 paragraph 1 of the Prevention and Combating of Money Laundering and Terrorism Financing Act (WMTF).
g. UN Sanction Committees:	the committees referred to in resolutions 1267, 1988 and 1989 of the United Nations Security Council;
h. Sanction List:	the compiled lists of natural and legal persons and legal constructs, as drawn up and kept by the UN Sanction Committees as well as the National Sanction List, as referred to in Article 4a paragraph 4, against which targeted financial sanctions have been imposed;

B. Article 2 paragraph 1 shall read:

1. In order to comply with treaties or binding resolutions of international organizations relating to the maintenance or restoration of international peace and security or the promotion of the international legal order or the fight against terrorism, further rules shall be established by State Decree with regard to the subjects referred to in Articles 3 and 4.

C. Article 3 is amended as follows:

1) in paragraph 1, the phrase "The rules referred to in Article 2 may concern" is replaced by: The sanction decisions and sanction regulations may concern restrictions of

2) in paragraph 3, the phrase "The rules referred to in Article 2" is replaced by: The sanction decisions and sanction regulations

D. In Article 4, the phrase "The rules referred to in Article 2" is replaced by:
The sanction decisions and sanction regulations

E. Article 4a is amended as follows:

1) In paragraph 1:
- the phrase "within 3 (three) working days" is replaced by: without delay;
- after the word "Council" is added: , the Minister charged with that matter.

2) Paragraph 2 is replaced by: Notification without delay referred to in paragraph 1 shall also be made by the Minister to the Attorney General.

3) After paragraph 2, 2 new paragraphs are added, paragraphs 3 and 4 respectively, worded as follows:

3. The Minister may, after consultation with the Council, nominate natural or legal persons or other legal constructs to the UN Sanction Committees for inclusion on the UN Sanction Lists.

4. The Minister shall, after consultation with the Council, establish a National Sanction List of:

a. any natural or legal person or other legal construct that commits or attempts to commit terrorist acts or participates in them or is complicit in them, or prepares or facilitates one or more terrorist acts;

b. any legal person or other legal construct that belongs directly or indirectly to and/or is controlled by persons referred to under a;

c. all natural or legal persons or legal constructs that act on behalf of or by order of the natural or legal persons, entities or bodies referred to under a and b.

F. Article 5 is amended as follows:
1) Paragraph 2 shall read::

The Council shall consist of 7 (seven) members, each of whom shall be a representative of:
a. the Central Bank of Suriname;
b. the Financial Intelligence Unit Suriname;
c. the Counsel for the Prosecution;
d. the National Security Directorate;
e. the Ministry responsible for Foreign Affairs;
f. the Supervision and Control Institute for Games of Chance;
g. the Ministry responsible for Defence Affairs.

2) In paragraph 7, the phrase "the Ministry of Foreign Affairs" is replaced by "the Ministry responsible for Foreign Affairs".

G. Article 5b shall read:

1. The Council's task is:
   - advising the Minister regarding the resolutions referred to in Article 4a as well as regarding compliance with the provisions under or pursuant to this Act;

   - immediately publishing digitally resolutions referred to in Article 4a and any amendments thereto;

   - maintaining the National Sanction List referred to in Article 4a paragraph 3;

   - providing information and assistance in individual cases in consulting the National Sanction List by service providers and the measures to be taken by them on that basis to ensure the freezing of funds of natural or legal persons, entities or bodies.

2. The Council shall publish copies of the resolutions referred to in Article 4a on its website and shall send copies thereof to the supervisors and service providers.

3. The Council shall be authorized to issue guidelines for all service providers with regard to the application of the provisions of paragraph 1 of this Article.

4. The State Decrees and Ministerial Orders issued pursuant to Article 2, as well as the guidelines issued by the Council, shall be followed promptly and strictly by the service providers.

5. The supervisors referred to in Article 38, paragraph 1, of the Prevention and Combating of Money Laundering and Terrorism Financing Act (WMTF) are responsible for monitoring compliance by service providers with the provisions of or pursuant to this Act.

H. Article 5c shall read:

1. The Council is authorized to obtain all information that may reasonably be deemed necessary for the performance of its duties. This information shall be requested in writing.

2. Service providers are obliged to provide the Council with all cooperation that is reasonably necessary for the performance of its duties.

I. Article 5d shall be deleted.

J. In Article 5e, paragraphs 1 and 2, the phrase "the Minister of Justice and Police and the Minister of Finance" shall be replaced by: "the Minister responsible for Judicial Affairs and the Minister responsible for Financial Affairs".

K. After Article 5e, a new Article 5f shall be added, worded as follows:

Article 5f

1. The service providers are obliged to comply with the sanction decisions and the sanction regulations as referred to in Article 2, and the guidelines of the Council and the supervisor.

2. The supervisors referred to in Article 38, paragraph 1, of the Prevention and Combating of Money Laundering and Terrorism Financing Act (WMTF) are responsible for supervising the service providers as referred to in paragraph 1.

3. The supervisor is authorized to establish guidelines for the service providers under his supervision in order to promote compliance with this act.

4. The supervisor is authorized to enter into written agreements with other competent authorities in Suriname and abroad. He exchanges information with the said authorities in an independent manner. The manner in which the supervisor can obtain and provide information shall be established in the written agreement.

5. The supervisor may impose a penalty payment order on the service provider who fails to comply with the sanction decisions, the sanction regulations and the guidelines of the Council and the supervisors, or fails to do so on time.

6. The penalty amounts to a maximum of SRD 1,000,000.- (one million Surinamese dollars) a day. The Council may collect a penalty imposed under this article, as well as the costs of collection by enforcement order.

7. The enforcement order shall be served by writ at the expense of the offender and shall constitute a writ of execution within the meaning of the Second Book of the Code of Civil Procedure.

8. The penalties and the costs of collection shall be deposited in the treasury.

L. Article 6 paragraph 1 shall read:

1. The service provider who objects to a decision taken against him by the supervisor may lodge a written objection to the supervisor within 30 (thirty) working days after the decision has been made known to him.

M. Article 6a shall read:

Article 6a

1. The supervisor shall make a reasoned decision within 30 (thirty) working days after receipt of the notice of objection.

2. The decision shall be communicated to the service provider in writing.

N. In Article 6b, paragraphs 1 and 3 shall read as follows:

1. The service provider may lodge an administrative appeal against a decision as referred to in Article 6a paragraph 1 with the Minister within 30 (thirty) working days after receipt of the decision.

2. The Minister shall, in consultation with the Council, make a reasoned decision within 30 (thirty) working days after receipt of the notice of appeal. The decision shall be communicated to the service provider in writing.

O. Article 6c is amended as follows:

(1). Paragraph 1 shall read:
1. The service provider may appeal against the decision referred to in Article 6b to the Cantonal Judge within 60 (sixty) working days after receipt of notification of the decision.
(2). In paragraph 2, "the Council" is replaced by "the supervisor"

P. Articles 7, 7a, 7b and 7c are replaced by 7, 7a and 7b and shall read as follows:

Article 7

1. If the Council, in the performance of its duties, discovers facts that indicate a violation of any prohibition or regulation imposed by or pursuant to this Act, it shall immediately notify the Attorney General thereof.

2. If the supervisor, in the performance of his supervisory duties, discovers facts that indicate a violation of any prohibition or regulation imposed by or pursuant to this Act, he shall immediately notify the Council and the Attorney General thereof.

Article 7a

1. The person who:

   a. fails to comply or fails to comply in a timely manner with the sanction decisions, the sanction regulations and the guidelines of the Council and the supervisor, while less than 2 (two) years have elapsed since a previous imposition of a penalty payment order;

   b. fails to comply with the obligation referred to in Article 5c paragraph 2;

   shall be punished with imprisonment of up to 1 (one) year or with a fine of the third category.

2. The penal offences in paragraph 1 are violations.

Article 7b

1. Acting contrary to Article 9 shall be punishable by imprisonment of up to 6 (six) years and a fine of the fourth category.

2. The penal offence in paragraph 1 is a crime.

ARTICLE II

1. This Act shall be promulgated in the Official Gazette of the Republic of Suriname.

2. It shall come into force on the day following that of its promulgation.

3. The Ministers of Justice and Police, Foreign Affairs, International Business and International Cooperation and Finance and Planning shall be responsible for the implementation of this Act.

Given in Paramaribo, the 2nd of August 2024

CHANDRIKAPERSAD SANTOKHI

Issued in Paramaribo, the 12th of August 2024
The Minister of Home Affairs,

BRONTO S.G. SOMOHARDJO

2024 **No. 100**

Act of 2 August 2024 further amending the International Sanctions Act (S.B. 2014 no. 54, as amended by S.B. 2016 no. 31).

EXPLANATORY MEMORANDUM

General

The International Sanctions Act (S.B. 2014 no. 54, as amended by S.B. 2016 no. 31) is an enabling legislation and is the basis for the development of (inter)national rules for the implementation of international sanction measures imposed on the basis of treaties or binding resolutions of organizations under international law. The sanction measures are imperative instruments used in relation to maintaining or restoring international peace and security or promoting the international legal order.

The International Sanctions Act is amended because this Act does not fully comply with the measures of Financial Action Task Force (FATF) recommendation 6 (targeted financial sanctions).

As a member of the Caribbean Financial Action Task Force (CFATF), Suriname underwent the fourth country evaluation in the period of 28 February 2022 through 11 March 2022. The result of this evaluation was included in the Mutual Evaluation Report (MER) of January 2023. As a result of this evaluation round, our country has been included in the Enhanced Follow-Up Procedure. This is a procedure that the CFATF uses for countries with many shortcomings in their AML/CFT/CPF legislative framework. This means that our efforts to eliminate the shortcomings are monitored more intensively by the CFATF; the first reporting to the CFATF under this framework was in October 2023.

This Act is aimed at eliminating the shortcomings included in the MER, in order to promote international peace and security or the international legal order; furthermore, some adjustments of an editorial and legislative technical nature have been included.

Explanation per Article

Section A
The changes in article 1 are mainly of a legislative technical nature:
- the sections have been relettered;
- in section a, the description of the term "Minister" has been replaced by: the minister responsible for foreign affairs. This is to prevent this Act from having to be adjusted if the name of the ministry is changed;
- the terms "President" and "freeze lists" have been deleted, because these terms have not been used in the Act. These specific lists have already been included in the implementing decrees pursuant to article 2 of the Act;
- within the framework of supervision of compliance with this Act, the term "supervisors" has been added to section F.

Sections C and D
The amendments to Articles 3 and 4 are of a legislative technical nature. The terms "sanction decision" and "sanction regulation" are defined in the definition, so that reference to Article 2 is not necessary.

Section E
In Article 4a, paragraph 1, the period of 3 (three) working days, in accordance with the CFATF recommendations, is replaced by without delay. Without delay means ideally within a few hours of receipt of treaties or binding resolutions of organizations under international law regarding the subjects referred to in Articles 3 and 4. The word "without delay" must be interpreted in the light of the need to prevent the disappearance of funds or other assets related to terrorists, terrorist organizations and financiers of terrorism, and the financing of the proliferation of weapons of mass destruction, and of the need for global, coordinated action to prohibit and disrupt their circulation.

The amendment to paragraph 2 is also intended to express that the communication by the Minister to the Attorney General must be made without delay.

Section F
The amendments in Article 5 relate to the change of name of the Unusual Transactions Reporting Centre and the National Security Bureau to Financial Intelligence Unit Suriname (FIU Suriname) and the National Security Directorate respectively. Furthermore, as in the rest of the text of the Act, the designation of the Ministry of Foreign Affairs has been changed to the ministry responsible for foreign affairs.

Section G
In Article 5b, the supervisory task of the Council has been eliminated. The supervisors included in the Prevention and Combating of Money Laundering and Terrorism Financing Act (WMTF) are now responsible for the supervision of the service providers, in particular the Central Bank of Suriname, the Supervision and Control Institute for Games of Chance and FIU Suriname. Within this framework, this article is rewritten and a new Article 5f is added, which regulates the supervision of the supervisors on the service providers in accordance with this Act.

In view of the above, the tasks of the Council have been adjusted in paragraph 1 as follows:

- advising the Minister on resolutions as referred to in Article 4a, as well as on compliance with the sanction decisions and the sanction regulations;
- immediately publishing digitally resolutions referred to in Article 4a and any amendments thereto;
- sending copies of the resolutions referred to in Article 4a, the sanction decisions and the sanction regulations to the supervisors and the service providers;
- providing information on assistance in individual cases in the implementation of the sanction decisions and the sanction regulations by the service providers.

Section H

Article 5c has been amended since the Council is no longer responsible for supervising the service providers. Section b of paragraph 1 has been deleted.

Section I

This Act is an enabling legislation that establishes the framework for international sanctions. Further rules regarding this Act, including the freezing measures, are regulated by implementing regulation on the basis of the delegation provision included in Article 2.

Section J

In Article 5e, paragraphs 1 and 2, the designation of the relevant Ministers has been adjusted to prevent this Act from also having to be adjusted if the name of the Ministry changes.

Section K
In the new article 5f, the supervisors included in article 38, paragraph 1, of the WMTF have been assigned to supervise the service providers. This has been done to improve operational efficiency and to ensure a more effective supervision process. Since the structure of the supervision is also based on the same group of service providers with regard to this Act, it has been decided to make optimum use of the expertise of the supervisors and to charge the same supervisors with the supervision of compliance with the obligations that rest on the service providers under this Act.

The supervisory task of the Council and its authority to impose the administrative sanction of a penalty payment, as regulated in the old article 5b, has now been included in the new article 5f and assigned to the supervisors. These supervisors supervise the service providers in accordance with this Act.

In accordance with article 5f, paragraph 5, the supervisors can impose an order for a penalty payment if the service providers fail to comply or fail to comply in a timely manner with the sanction decisions, the sanction regulations and the guidelines of the Council and the supervisor. Repeated failure to comply with these obligations or failure to comply with them in a timely manner within 2 (two) years after the imposition of the penalty payment order constitutes a violation (Article 7a).

Sections L, M, N en O
Articles 6, 6a, 6b and 6c regulate the legal protection of service providers. In Articles 6 paragraph 1, 6a paragraph 1 and 6c paragraph 2, the Council has been replaced by the supervisor, since the supervisor makes the decision to impose a penalty payment order, and this concerns the filing of an objection, a legal remedy that is lodged with the authority that made the decision, namely the supervisor. The amendment in Article 6b, paragraph 1, replaces the Council for the aforementioned reason, by referring to Article 6a, paragraph 1.

In Article 6b, paragraph 3, the Minister responsible for foreign affairs is only authorized to handle the notice of appeal after the objection procedure with the supervisor has been completed. The Minister is obliged to hear the Council before deciding on the notice of appeal.

Section P

Articles 7, 7a, 7b and 7c are replaced by three new articles 7, 7a and 7b. Article 7, paragraph 1, includes the obligation for the Council to notify the Attorney General of violations discovered during the performance of its duties. Paragraph 2 obliges the supervisor to notify both the Council and the Attorney General.

Articles 7a and 7b concern the penalty clauses. Criminal enforcement in Article 7a is reserved for cases involving recurrence of a violation of the sanction decisions, the sanction regulations and the guidelines of the Council and the supervisors, and in the event of failure by service providers to cooperate with the Council pursuant to Article 5c, paragraph 2. This concerns recidivism cases. Article 7b regulates actions in violation of the duty of confidentiality, which constitute a crime.

Paramaribo, 2024,

A. Gajadien

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RAAD INTERNATIONALE SANCTIES