

Informative material on the terms used in the field of Targeted Financial Sanctions

In accordance with the official annotation of the 4 July 2019 Amendments to the Law on International Sanctions and National Sanctions of the Republic of Latvia (hereinafter – Law on Sanctions), these amendments were enacted to enforce the Financial Action Task Force (FATF) recommendations (hereinafter – Recommendations).

The Recommendations and other materials issued by FATF include explanation of terms used in the field of targeted financial sanctions. Several of these terms are explained in the Law on Sanctions, however others are included in the general definitions of the Law on Sanctions.

Taking into account the questions received from the subjects of the Law on Sanctions, the Ministry of Foreign Affairs as the coordinating institution provides this informative material on most frequently used terms in accordance with the FATF Recommendations to increase the effectiveness of the application of targeted financial sanctions.

Funds or other assets

The term **funds or other assets** means any assets, including, but not limited to, financial assets, economic resources (including oil and other natural resources), property of every kind, whether tangible or intangible, movable or immovable, however acquired, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such funds or other assets, including, but not limited to, bank credits, travellers cheques, bank cheques, money orders, shares, securities, bonds, drafts, or letters of credit, and any interest, dividends or other income on or value accruing from or generated by such funds or other assets, and any other assets which potentially may be used to obtain funds, goods or services.

International organisations

International organisations are entities established by formal political agreements between their member States that have the status of international treaties; their existence is recognised by law in their member countries; and they are not treated as resident institutional units of the countries in which they are located. Examples of international organisations include the United Nations and affiliated international organisations such as the International Maritime Organisation; regional international organisations such as the Council of Europe, institutions of the European Union, the Organization for Security and Co-operation in Europe and the Organization of American States; military international organisations such as the North Atlantic Treaty Organization, and economic organisations such as the World Trade Organisation or the Association of Southeast Asian Nations, etc.

Without delay

The phrase ***without delay*** means, ideally, within a matter of hours of a designation by the United Nations Security Council or its relevant Sanctions Committee (e.g. the 1267 Committee, the 1988 Committee, the 1718 Sanctions Committee). For the purposes of S/RES/1373(2001), the phrase without delay means upon having reasonable grounds, or a reasonable basis, to suspect or believe that a person or entity is a terrorist, one who finances terrorism or a terrorist organisation. In both cases, the phrase without delay should be interpreted in the context of the need to prevent the flight or dissipation of funds or other assets which are linked to terrorists, terrorist organisations, those who finance terrorism, and to the financing of proliferation of weapons of mass destruction, and the need for global, concerted action to interdict and disrupt their flow swiftly.