

Statutory Document No. 20XX/XXXX

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*Terrorism and Other Crime (Financial Restrictions) Act 2014*

## **TERRORISM AND OTHER CRIME (FINANCIAL RESTRICTIONS) (COMPLIANCE WITH INTERNATIONAL STANDARDS) ORDER 2024**

*Draft laid before Tynwald:*

*Approved by Tynwald:*

*Coming into operation: in accordance with article 2*

The Council of Ministers, having consulted such persons and bodies as it considers appropriate<sup>1</sup>, makes the following Order under section 69A(1) of the Terrorism and Other Crime (Financial Restrictions) Act 2014.

### **1 Title**

This Order is the Terrorism and Other Crime (Financial Restrictions) (Compliance with International Standards) Order 2024.

### **2 Commencement**

If approved by Tynwald, this Order comes into operation immediately after it is made<sup>2</sup>.

### **3 Terrorism and Other Crime (Financial Restrictions) Act 2014 amended**

- (1) Section 68 (codes relating to the financing of proliferation and terrorism) of the Terrorism and Other Crime (Financial Restrictions) Act 2014 is amended as follows.
- (2) After subsection (2)(c) insert —

<sup>1</sup> Consultation is required under section 69A(5)(a) of the Terrorism and Other Crime (Financial Restrictions) Act 2014.

<sup>2</sup> Section 69A(5)(b) of the Terrorism and Other Crime (Financial Restrictions) Act 2014 specifies that no order under section 69A(1) may be made unless a draft of the proposed order has been laid before a sitting of Tynwald and that draft has been approved at a subsequent sitting of Tynwald.

- |(ca) require persons carrying on a business in the regulated sector to take prescribed measures in relation to their customers in prescribed circumstances;
  - |(cb) make provision for and in connection with —
    - |(i) the purposes for which information held in connection with anything done under a code may be used; and
    - |(ii) the persons to whom any such information may be disclosed;
  - |(cc) confer functions on a prescribed person;».
- (3) After subsection (2C) insert —
- |(2D) In subsection (2)(ca) to (cc), “prescribed” means prescribed in a code made under subsection (1).».

**MADE**

**A RALPHS**

*Chief Executive Officer (Isle of Man Government)*

*EXPLANATORY NOTE*

*(This note is not part of the Order)*

This Order amends section 68 of the Terrorism and Other Crime (Financial Restrictions) Act 2014 (“the Act”) to enable the implementation of a recommendation of the Financial Action Task Force.

The Financial Action Task Force updated its guidance for virtual assets and virtual asset service providers in October 2021 and included in its Recommendation 16 that certain transfers of virtual assets must be accompanied by identifiable originator and beneficiary information.

This Order widens the power of the Department of Home Affairs to include in a code made under section 68 of the Act the power to compel persons carrying on a business in the regulated sector (such as virtual asset service providers) to take prescribed measures in relation to their customers (such as requiring them to provide the information required in relation to Recommendation 16) and to make provision about the purposes for which such information may be used and the persons to whom it may be disclosed.