



Евразийская группа по противодействию легализации  
преступных доходов  
и финансированию терроризма

Eurasian Group on Combating Money Laundering  
and Financing of Terrorism

## EAG TYPOLOGIES PROJECT

# GUIDELINES ON THE LISTING/DE-LISTING OF TERRORISTS/EXTREMISTS AND FREEZING OF THEIR ASSETS

2023

## Table of Contents

<b>Glossary .....</b>	<b>2</b>
<b>Introduction .....</b>	<b>4</b>
<b>Chapter 1. Principles of operation of the system that creates and maintains national terrorist and extremist lists .....</b>	<b>5</b>
The Republic of Belarus .....	5
The Republic of Kazakhstan .....	8
The People's Republic of China.....	12
The Kyrgyz Republic .....	13
The Russian Federation.....	17
The Republic of Serbia .....	22
The Republic of Tajikistan.....	25
The Republic of Uzbekistan.....	28
<b>Chapter 2. Basics and Specifics of the Mechanism to Freeze (Block) Assets..</b>	<b>33</b>
Republic of Belarus.....	33
Republic of Kazakhstan .....	36
People's Republic of China .....	38
Kyrgyz Republic .....	40
Russian Federation .....	42
Republic of Serbia.....	46
Republic of Tajikistan .....	49
Republic of Uzbekistan.....	51
<b>Conclusion.....</b>	<b>54</b>
<b>List of Regulations.....</b>	<b>55</b>

## Glossary

NSA	National Security Agency
FMA	Financial Monitoring Agency
MID	Main Intelligence Directorate
SFIS	State Financial Intelligence Service under the Ministry of Finance of the Kyrgyz Republic
SSC	State Security Committee
NSC	National Security Committee
MIA	Ministry of Internal Affairs
MFA	Ministry of Foreign Affairs
MF	Ministry of Finance
MJ	Ministry of Justice
CDD	Customer Due Diligence
Institutions that make money or other assets transactions	Other terms: financial monitoring entities, reporting entities. They refer to institutions and individuals that provide services to legal entities or individuals in order to conduct financial or other asset transactions that are intended to establish, modify, or terminate the related civil rights and obligations.
The List	The list of organizations and individuals for whom there is proof of their involvement in terrorism or extremism. It may have a different term depending on the laws of the particular

	country; it may also encompass organizations and individuals participating to the proliferation of weapons of mass destruction.
FIU	<p>Financial Intelligence Unit</p> <p>It refers to a government agency designated in accordance with the national legislation that gathers and examines suspicious transaction reports and other information pertaining to money laundering, terrorist financing, and other connected offenses, and then transfers this information to competent authorities</p>
The UN SC	The United Nations Security Council
The IC	The Investigative Committee
The CC	The Criminal Code
FATF	Financial Action Task Force



# Introduction

1. This guidance manual is intended to assist FIUs in their efforts to facilitate international cooperation in the freezing and blocking of the assets of organizations and individuals associated with terrorist activities. It may be particularly useful when preparing requests to be addressed to another country regarding the freezing of the assets of organizations and individuals that have been subject to similar national procedures. The information below may also be used as training material for recently hired FIU officials in charge of international cooperation. This manual was developed using responses from various countries to questionnaires related to the EAG study Guidelines on Mechanisms of Inclusion of Individuals in the List of Terrorists and Extremists and Exclusion from it as well as Freezing/Blocking of the Said Individuals' Assets. The following EAG member-states (the Republic of Belarus, the Republic of Kazakhstan, the Peoples' Republic of China, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan, and the Republic of Uzbekistan), as well as observers (the Republic of Serbia and Collective Security Treaty Organisation) participated in this study.

2. Without the author's prior approval, no information provided in the Manual may be used by anyone other than FIUs or disclosed to any third party.

# **Chapter 1. Principles of operation of the system that creates and maintains national terrorist and extremist lists**

## **The Republic of Belarus**

3. The Republic of Belarus compiles and maintains the List in accordance with the Decree of the Cabinet Council No. 1256 dated December 30, 2014 On Approval of the Regulations of Compiling a List of Individuals Engaging in Terrorist Activities, PF or Individuals Controlled by These Individuals, Appeal of Resolution on Inclusion of Individuals in This List and Examination of Petitions of These Individuals, Communication of This List to Institutions That Make Financial Transactions. A national security organization, particularly the SSC of the Republic of Belarus, is responsible for compiling this list.

4. The Chairman of the SSC and his/her deputies make the decision to include organizations and individuals on the List based on information from the Unified Offense Database and information from:

- entities that fight against terrorism;
- prosecution authorities, the IC, the MIA and general jurisdiction courts of the Republic of Belarus;
- foreign competent authorities in accordance with international treaties concluded by the Republic of Belarus;
- international organizations, foreign law enforcement authorities and security services in the prescribed manner.

5. The List of the Republic of Belarus contains references to information on offenses committed by those listed, as well as identification details (surname, name, patronymic, date of birth, place of residence, and relevant reasons).

6. The following criteria may be used to include individuals or organizations on the List of the Republic of Belarus:

- the Supreme Court's final decision that an organization is a terrorist or extremist group that should be banned and dismantled;
- The Supreme Court's final decision that a foreign or international organization is a terrorist or extremist group, and that its activities should be

banned in the Republic of Belarus and it should be dismantled if this foreign or international organization has an office there;

- Final decision by any Belarusian court that an individual has committed an offense listed in Articles 124 - 131, 134, 287, 289 - 293, part 4, Article 294, part 4, Article 295, part 4, Article 309, part 3, Article 311, Articles 322 - 324, 359, 360 and 361 of the Criminal Code of the Republic of Belarus and has been found guilty
- order naming an individual as a defendant in a case involving alleged violations of Articles 124 - 131, 134, 287, 289 - 293, part 4, Article 294, part 4, Article 295, part 4, Article 309, part 3, Article 311, Articles 322 - 324, 359, 360 and 361 of the Criminal Code of the Republic of Belarus;
- a list of individuals involved in terrorist activities, proliferation, or individuals controlled by these individuals compiled by international organizations or authorities authorized by them and recognized in the Republic of Belarus if there are actual situations and actions that pose a threat to the national security of the Republic of Belarus;
- sentences or decisions passed or made by courts, other foreign competent authorities recognized in the Republic of Belarus in accordance with international treaties concluded by the Republic of Belarus in relation of individuals involved in terrorist activities, proliferation, or individuals controlled by these individuals if there are actual situations and actions that pose a threat to the national security of the Republic of Belarus.

7. In other words, the List specifies the information below:

- entities and citizens of the Republic of Belarus, foreign nationals, stateless people, and individual entrepreneurs regardless of where they registered with their state and where they actually are that have evidence linking them to terrorism, proliferation, or that are under the control of such entities, individuals, or individual entrepreneurs;
- organizations, individuals, or individual entrepreneurs that the UN SC Committees established by the UN SCRs No. 1267 (1999), No. 1718 (2006), No. 1988 (2011), No. 1989 (2011), No. 2253 (2015) and their successor resolutions have identified as being involved in terrorist activities and/or proliferation.

8. The SSC notifies a company or an individual that they have been included to the List by posting the necessary information on its website.

9. When a decision is made to add entities, individuals, or individual entrepreneurs to the List, remove them from it, or update the List, the SSC of the Republic of Belarus immediately (within 24 hours) notifies the national FIU

(*Financial Monitoring Department under the State Control Committee*) and governmental authorities that oversee entities that make financial transactions of the updated List in hard copy or in electronic format. Entities that make financial transactions subsequently submit this information to their supervised individuals and organizations

10. In accordance with the international treaties that the Republic of Belarus has signed, the SSC of the Republic of Belarus may obtain the aforementioned information on the reasons why an individual or organization was added to the List, among other sources, from foreign competent authorities, international organizations, and foreign law enforcement and security services in the manner specified. To achieve this, however, all relevant facts regarding the organization or individual named in a foreign country's statement must be thoroughly and impartially investigated in order to determine justifications for inclusion in the List. There isn't a standard rule governing how much information must be provided by the party submitting the request to the Republic of Belarus.

11. Organizations and individuals on the List are entitled to file a complaint about being on the List by:

- filing a petition to the SSC of the Republic of Belarus;
- filing a lawsuit with a claim for exclusion;
- filing a petition to the authorized UN organizations.

12. Also, in the Republic of Belarus an organization, an individual or an individual entrepreneur may be expelled from the List for the following reasons:

- Cancellation of the Supreme Court's final decision that an organization, a terrorist or extremist group should be banned and dismantled;
- Cancellation of the Supreme Court's final decision that a foreign or international organization is a terrorist or extremist group, and that its activities should be banned in the Republic of Belarus and it should be dismantled;
- Cancellation of the Supreme Court's final decision that a foreign or international organization is a terrorist or extremist group that its activities should be banned in the Republic of Belarus and it should be dismantled if this foreign or international organization has an office there;

- the reasons listed in clauses 1 and 2, part 1, of Article 29 of the Criminal Procedure Code of the Republic of Belarus, which call for the cancellation of a Byelorussian court's final decision and the termination of criminal proceedings;
- Termination of prosecution of an individual accused of offences specified in Articles 124 - 131, 134, 287, 289 - 293, part 4, Article 294, part 4, Article 295, part 4, Article 309, part 3, Article 311, Articles 322 - 324, 359, 360 and 361 of the Criminal Code of the Republic of Belarus and termination of criminal proceedings against an individual under reasons specified in clauses 1 and 2, part 1, Article 29 of the Criminal Procedure Code of the Republic of Belarus;
- Exclusion of an organization, an individual or an individual entrepreneur from the lists of individuals and organizations involved in terrorist activities and proliferation or those under their control that are complied by international organizations and entities authorized by them and recognized in the Republic of Belarus;
- Modifying or cancelling court sentences or judgments, as well as decisions taken by other foreign competent authorities against individuals and entities involved in terrorist activities, proliferation or those under their control that are recognized by the Republic of Belarus;
- The availability of documented data on the dissolution of an organization, an individual's death, and the cessation of an individual entrepreneur's operations;
- The availability of documented data on expungement or cancellation of conviction of an individual who has been convicted for offences listed in 124 - 131, 134, 287, 289 - 293, part 4, Article 294, part 4, Article 295, part 4, Article 309, part 3, Article 311, Articles 322 - 324, 359, 360 и 361 of the Criminal Procedure Code of the Republic of Belarus;
- The lack of reasons for inclusion in the List established by the NSC in response to a petition submitted by an organization, an individual or an individual entrepreneur.

13. The Republic of Belarus law No. 300-Z, dated July 18, 2011 On Petitions of Individuals and Legal Entities governs how long a petition to remove an organization or an individual from the List will be examined: Unless legislative acts specify otherwise, written petitions shall be examined within fifteen days, and petitions requiring additional study and examination within a month.

## The Republic of Kazakhstan



14. The Financial Monitoring Agency of the Republic of Kazakhstan (hereafter the "FMA"), a government authority, complies and maintains the List in the Republic of Kazakhstan. Only the General Prosecutor's Office may provide information for organizations and individuals to be included on the List.

15. The List includes information on individuals and organizations named in the sanction lists created by UN SC as well as on individuals who committed terrorist and extremist offenses in the Republic of Kazakhstan. It also includes a list of entities and people obtained from other nations. It only includes identity information for the organizations and individuals that are a part of it.

16. An organization or an individual may be included in the List of the Republic of Kazakhstan for the following reasons:

- The final decision by a court of the Republic of Kazakhstan that an organization should be disbanded since it was involved in terrorist activities and/or extremism;
- The final decision by a court of the Republic of Kazakhstan that an organization that engaged in terrorist activities or extremism in the Republic of Kazakhstan and/or other country should be recognized terrorist or extremist, в том числе об установлении изменения ею своего наименования;
- The final decision by a court of the Republic of Kazakhstan that individual should be found guilty in extremist and/or terrorist offences;
- Sentences or judgments rendered by foreign courts and decisions made by other foreign competent authorities against organizations or individuals that engaged in terrorist activities that are recognized by the Republic of Kazakhstan in accordance with international treaties concluded by the Republic of Kazakhstan and the laws of the Republic of Kazakhstan;
- Belonging to an organization or individual on the list of organizations or individuals linked to terrorist organizations or terrorists compiled by international organizations fighting terrorism or bodies authorized by them in accordance with treaties signed by the Republic of Kazakhstan;
- A list of organizations and individuals involved in terrorism and extremism compiled by the General Prosecutor's Office of the Republic of Kazakhstan using information held by the country's law enforcement and special government authorities;
- The application of targeted financial sanctions against an organization or an individual in accordance with the UN SC's Resolutions relating to prevention of terrorism and FT, or the inclusion of a organization or an individual on

sanction lists created by the UN SC's Committees established in accordance with those resolutions.

17. The list is published on the FMA's official website, notifying those who are on it of their inclusion. Institutions that make financial or other asset transactions are informed of the updated List in the same manner. In addition, this List is sent electronically to the relevant government authorities and agencies after being posted.

18. Any person on the List, however, is entitled to contest the validity of the application of the aforementioned measures by submitting a petition to the FMA asking to be removed from the List. The petitioner will be immediately removed from the List if this petition is granted.

19. When another country requests that an organization or an individual be added to the List, national level examinations should be started before a decision is reached about whether the requested measures should be put into effect.

20. The following institutions are on the list of institutions in the Republic of Kazakhstan that conduct financial or other asset transactions:

- Banks, branches of non-resident banks, institutions that make certain types of banking transactions except for the operator or the operating center of interbank money transfer system and legal entities that only conduct activities to collect banknotes, coins and valuables;
- exchanges;
- insurance/re-insurance companies, insurance brokers, mutual insurance companies, branches of non-resident insurance/re-insurance companies and branches of non-resident insurance brokers;
- The Single Savings Pension Fund and voluntary savings pension funds;
- Security traders and the central securities depository;
- Notaries that conduct notary actions related to funds and/or other assets;
- Lawyers, legal counsels, and other independent legal professionals when they participate in money and/or other asset transactions in relation to the following operations for or on behalf of their clients:
  - *sale or purchase of real estate;*
  - *management of client's funds, securities or other assets;*
  - *management of bank or securities accounts;*
  - *accumulation of funds to establish, maintain, operate and manage a company;*

- *establishment, purchase, sale, operation or management of a legal entity;*
- accounting companies, professional accountants that conduct entrepreneur activities related to accounting and audit companies;
- gambling and lottery organizers;
- postal operators that render money transfer services;
- microfinance organizations;
- payment institutions;
- individual entrepreneurs and legal entities that conduct unlicensed leasing activities;
- individual entrepreneurs and legal entities that make transactions with precious metals and precious stones and jewelry from them;
- individual entrepreneurs and legal entities that operate as intermediaries in real estate sales or purchases;
- mandatory medical insurance fund;
- members of Astana International Financial Center (the “Center”) that conduct in the Center separate types of activities identified by the Financial Service Regulation Committee of the Center upon agreement with the competent authority in accordance with the FATF Recommendations.
- Companies that create digital assets, organize trade in them and provide services for exchanging them for fiat money, valuables, and other assets.

## The People's Republic of China

21. In the People's Republic of China, the formation and maintenance of the List is organized, with the National Counter-Terrorism Lead Group as the responsible body.

22. Information for inclusion and removal from the List is received by the National Counter-Terrorism Lead Group from the following state authorities:

- MIA (Ministry of Internal Affairs);
- Ministry of Public Security;
- Ministry of State Security;
- Courts;
- Provincial counter-terrorism governing bodies.

23. Entities and individuals may be included in the List of the People's Republic of China when the definitions of terrorism, terrorist activity, terrorist organization, terrorist as defined in the Anti-Terrorism Law are met.

24. Persons included in the said List as well as reporting entities shall be notified of the issuance of the next edition of the List in accordance with the declaration of the National Counter-Terrorism Lead Authority. The List contains information on offences of a terrorist nature committed.

25. Listed persons may appeal against a decision to include them in the list by submitting an application to the body responsible for compiling and maintaining the List, i.e., the National Governing Counter-Terrorism Authority.

26. The People's Republic of China may also decide whether a person should be included or removed from the List at the request of a foreign state by obtaining such information through diplomatic channels. The minimum information that a requesting country should specify is information confirming that a person is a terrorist or a member of a terrorist organization.

27. At the same time, in the People's Republic of China, the mechanism for removal from the List is implemented by submitting an application by the listed person to the National Counter-Terrorism Governing Group.

## The Kyrgyz Republic

28. In the Kyrgyz Republic, the national FIU, the State Financial Intelligence Service under the Ministry of Finance of the Kyrgyz Republic (hereinafter referred to as the "SFIS"), is the competent governmental body responsible for compiling and maintaining the List. The Prosecutor General's Office, the Ministry of Internal Affairs, the State National Security Committee of the Kyrgyz Republic, the Supreme Court of the Kyrgyz Republic, and city, regional and district courts have the authority to submit information for inclusion in the List.

29. The list of the Kyrgyz Republic contains information on persons:

- included in the UN Security Council sanctions lists;
- information on whom was obtained through diplomatic channels or from the FIU;
- having committed terrorist and extremist crimes on the territory of the Kyrgyz Republic.

30. The List is structured by identifying the persons involved (full name, date and place of birth) with the reasons for their inclusion, and each person is categorized under the terrorist/extremist code name.

31. Entities and persons may be included in the list of the Kyrgyz Republic on the following grounds:

- a final and binding court decision to liquidate or prohibit the activities of an entity because of its involvement in extremist or terrorist activities;
- a final and binding court sentence finding a person guilty of committing at least one of the terrorist and extremist offences defined in the Criminal Code of the Kyrgyz Republic;
- a procedural decision to declare a person suspected of committing at least one of the terrorist and extremist offences defined in the Criminal Code of the Kyrgyz Republic;
- an investigator's order to charge a person with at least one of the terrorism-related and extremist nature offences defined in the Criminal Code of the Kyrgyz Republic;
- lists of organizations and individuals associated with terrorist organizations or terrorists compiled by international anti-terrorist organizations or their authorized bodies and recognized by the Kyrgyz Republic.;



- sentences or decisions of courts and decisions of other competent bodies of foreign states recognized in the Kyrgyz Republic in accordance with international treaties and legislative acts of the Kyrgyz Republic against organizations or individuals engaged in terrorist activities.

32. The List is posted on the official website of the SFIS of the Kyrgyz Republic, and is updated each time an individual or entity is included (removed) from the List. Thus, the persons included in the List, as well as the entities engaged in transactions with cash or other property, are notified of the publication of the next edition of the List. When the List is updated, such entities should immediately download it from the FIU's official website, integrate it into their information resources and double-check all their clients, their counterparties and beneficial owners against the List.

33. It should be noted that the following financial institutions and non-financial categories of persons are recognized in the Kyrgyz Republic as organizations carrying out transactions involving cash or other property:

*Financial institutions:*

- mortgage companies (organisations);
- commercial banks;
- credit unions;
- leasing companies (organisations);
- pawnshops;
- microfinance organisations (microcredit agencies, microcredit companies, microfinance companies, specialized financial and credit institutions)
- accumulative pension funds;
- exchange bureaus;
- operators of electronic money settlement systems;
- reinsurance organizations and brokers;
- payment institutions;
- postal service providers;
- professional participants of the securities market;
- savings and loan and housing building banks;
- insurance companies (insurers);
- insurance brokers;
- commodity exchanges;

- issuers and agents (distributors) of electronic money.

*Non-financial categories of persons:*

- public and private notaries;
- independent lawyers (individual entrepreneurs), law firms and their employees (legal advisors) who provide services on a professional basis for the preparation of a transaction (deal) or who carry out transactions (deals) for or on behalf of their client, on the basis of a concluded contract;
- real estate specialists (agents, brokers, intermediaries, organizers of real estate trade, real estate trustees);
- individuals and legal entities carrying out transactions (deals) with precious metals and stones, jewelry made thereof, as well as scrap thereof;
- individuals and legal entities providing services for establishment of legal entities or management of legal entities.

34. Listed persons in the Kyrgyz Republic may challenge their listing by applying to the SFIS, the Prosecutor General's Office or a court. The final decision on the review of a person's inclusion in the List is taken by the Chairman of the SFIS of the Kyrgyz Republic. The positive result of the review is posted on the official website of the FIU and sent as an information letter to the reporting entities within 24 hours from the date of receipt of the documents and information from the competent authorities.

35. The Kyrgyz Republic also has the option of deciding whether a person should be included or removed from the List at the request of a foreign state (specified in one of the grounds for inclusion in the List). The inclusion and exclusion procedure takes place after the necessary investigative measures have been carried out in relation to the person named in the request to find facts which, under the legislation of the Kyrgyz Republic, indicate sufficient grounds to decide on inclusion or removal.

36. The following minimum information should be provided by the requesting country:

- the identity of the person involved;

- a summary of the nature of the investigation;
- the relationship of the investigation to the Kyrgyz Republic;
- what information is required from the Financial Intelligence Unit;
- the reason and purpose for which the information will be used;
- information as to whether an official investigation or legal proceeding is being conducted;
- whether the seizure of assets is required;
- the amount and type, substance, of the assets in the case.

## The Russian Federation

37. The Russian Federation has organized work on the formation and maintenance of the List, for which the national FIU, *the Federal Financial Monitoring Service (Rosfinmonitoring)*, is the responsible body.

38. Information for inclusion and removal from the List is received by Rosfinmonitoring from the following state bodies:

- Prosecutor General's Office;
- Investigative Committee;
- Ministry of Justice;
- FSS (Federal Security Service);
- MIA.

39. The grounds for inclusion of an individual or entity in the List are:

- an effective decision of a court of the Russian Federation on liquidation or prohibition of activities of an organization due to its involvement in extremist activities or terrorism;
- a sentence of a court of the Russian Federation that has entered into legal force on conviction of a person guilty of committing a crime of terrorist or extremist nature;
- an enforceable resolution to impose an administrative penalty for an administrative offense under Article 15.27.1 of the Code of Administrative Offenses of the Russian Federation;
- a decision by the Prosecutor General of the Russian Federation, a subordinate prosecutor, or a federal executive authority in the area of state registration (its corresponding territorial body) to suspend the organization's activities in connection with their application to the court to bring the organization to justice for extremist activities;
- a procedural decision on the recognition of a person as a suspect in committing at least one of the crimes of terrorist or extremist nature;
- the decision of the investigator to charge a person with at least one of the crimes of a terrorist or extremist nature;
- recognized in the Russian Federation in accordance with international treaties of the Russian Federation and federal laws, sentences or decisions

of courts and decisions of other competent authorities of foreign states in relation to organizations or individuals carrying out terrorist activities.

40. Information about listing, de-listing, and changes in the data of a person or organization included in the List is communicated to interested parties by posting information on the official FIU website, publishing it in the official national print media, as well as in the personal account of reporting organizations on the Rosfinmonitoring website.

41. The list contains information on individuals suspected, accused or guilty in criminal cases of terrorist and extremist nature initiated by the competent authorities of the Russian Federation. It also includes organizations, in respect of which there is a ruling by a court of the Russian Federation for involvement in extremism (terrorism), a decision by a prosecutor or the Russian Ministry of Justice to suspend the organization for its extremist activities, and, in addition, for providing financial support to terrorism.

42. In order to ensure that the inclusion, removal or modification of the UNSC sanctions list and the application of targeted financial sanctions are communicated in a timely manner, starting from 1 December 2022, Rosfinmonitoring will communicate information on the inclusion, removal or modification of information contained in the UNSC sanctions list no later than 4 hours after the relevant information is posted on the official resources of the UNSC or bodies specifically created by UNSC decisions. Entities carrying out transactions with cash or other assets must take freezing measures without delay, but no later than 20 hours after receiving notification of the changes in their personal account.

43. Listed persons may appeal against the decision to include them in the list by submitting an application to the FIU or through the courts.

44. In the Russian Federation, entities that carry out transactions involving cash or other property are:

- credit institutions;



- professional participants of the securities market (except for professional participants of the securities market engaged exclusively in investment advisory activities);
- operators of investment platforms;
- insurance organizations (except for medical insurance organizations operating exclusively in the sphere of compulsory medical insurance), insurance brokers and leasing companies, as well as foreign insurance organizations that are entitled, in accordance with the Russian Federation Law No. 4015-1 of 27 November 1992 "On Organization of Insurance Business in the Russian Federation", to carry out insurance activities in the Russian Federation;
- federal postal service organizations;
- pawnshops;
- organizations buying, selling and purchasing precious metals and precious stones, jewelry and scrap thereof, with the exception of religious organizations, museums and organizations using precious metals, their chemical compounds and precious stones for medical or scientific research purposes or as part of instruments, devices, equipment and articles of industrial and technical designation;
- gambling organizers;
- management companies of investment funds, mutual funds and non-governmental pension funds;
- intermediary services providers for real estate sale and purchase transactions
- operators for accepting payments;
- commercial organizations entering into factoring agreements as financial agents;
- credit consumer co-operatives, including agricultural credit consumer co-operatives;
- microfinance institutions;
- mutual insurance societies;
- non-state pension funds with regard to non-state pension provision activities;
- communications providers authorized to independently provide mobile radio telephony services, as well as communications providers with a significant position in the public telecommunications network that are authorized to provide data communications services independently;

- lottery operators in terms of payment, transfer or provision of winnings under the lottery participation agreement;
- operators of financial platforms;
- operators of information systems in which digital financial assets are issued and operators of exchanges of digital financial assets;
- individual entrepreneurs who are insurance brokers;
- individual entrepreneurs engaged in buying and selling of precious metals and precious stones, jewelry and scrap thereof;
- individual entrepreneurs who provide intermediary services in the implementation of transactions for the sale of real estate.

45. Grounds for removal of an entity or individual from the List are:

- reversal of a final and binding decision of a court of the Russian Federation to liquidate or prohibit the activities of an entity on the grounds of its involvement in extremist activities or terrorism, and termination of the proceedings in the case;
- reversal of a final and binding decision of a court of the Russian Federation declaring a person guilty of terrorist offences, and the termination of criminal proceedings against that person on grounds entitling him/her to rehabilitation;
- reversal of a final and binding decision imposing an administrative penalty for an administrative offence under Article 15.27.1 (*Providing Financial Support for Terrorism or the Proliferation of Weapons of Mass Destruction*) of the Code of Administrative Offences of the Russian Federation, or amendment of the said decision to exclude administrative liability for the said administrative offence;
- revocation of the decision of the Prosecutor General of the Russian Federation, his/her subordinate prosecutor or the federal executive authority for state registration (its relevant territorial body) to suspend the activities of the entity in connection with prosecution for extremist activities;
- termination of a criminal case or criminal prosecution against a person suspected or accused of committing crimes of a terrorist nature;
- reversal of convictions or decisions of courts and other competent bodies of foreign states recognized in the Russian Federation in accordance with international treaties of the Russian Federation and federal laws against entities or individuals carrying out terrorist activities;

- having documented evidence of the death of a person on the list of entities and individuals in relation to whom there is information about their involvement in extremist activities or terrorism;
- having documented evidence of an expunged or cancelled criminal record of a person convicted of a terrorist offence;
- having documented evidence of the expiry of the period during which a person is considered to have been subjected to an administrative penalty for an administrative offence under Article 15.27.1 (*Providing Financial Support for Terrorism, Proliferation of Weapons of Mass Destruction*) of the Code of Administrative Offences of the Russian Federation.

46. The FIU is responsible for considering the removal of a person from the List and the time limit for processing such an application is 10 working days.

47. When Rosfinmonitoring receives foreign requests for inclusion in the national list through bilateral channels, it forwards them to the Interagency Commission on Combating the Financing of Terrorism for consideration (see Chapter 2 for details).

## The Republic of Serbia

48. The Republic of Serbia has organized the work on the formation and maintenance of the List, for which the Government of the Republic of Serbia is responsible.

49. Information for inclusion and removal from the List is received from the following public authorities:

- Public Prosecutor's Office;
- MIA;
- State authority competent in the field of security and intelligence;
- Administration for the Prevention of Money Laundering (FIU of the Republic of Serbia).

50. Listed persons may appeal against the decision to include them in the List by initiating administrative dispute proceedings against the decision to include them. Such proceedings may be initiated in relation to the misidentification of a person or the reason for the inclusion of a person in the List.

51. Information on inclusion in the List is communicated to the parties concerned by posting the information on the official website of the FIU on the Internet, publication in the official national print media, including posting on the official website of the MIA.

52. The List consists of two parts: a national part and an international part. Each of these parts contains information on entities and individuals involved in terrorist activities.

53. Thus, the national part of the list contains information on individuals against whom there are reasonable grounds to believe that they are terrorists, sponsors of terrorism, involved in a terrorist organization or in the commission of a terrorist act, or associated with the proliferation of weapons of mass destruction. The national part of the list contains, inter alia, information on persons included in the list upon request of a foreign state.

54. A request for listing and asset freezing submitted by a foreign state must be made through diplomatic channels. Where the government has reasonable grounds to believe that a person is a terrorist or a sponsor of terrorism, or is involved in activities of a terrorist group or in the commission of a terrorist act, or is associated with the proliferation of weapons of mass destruction, it must decide as soon as possible whether to list that person.

55. A reasonable request from a foreign state should include information about the person, information indicating that there are reasonable grounds to believe that the person is a terrorist or a sponsor of terrorism, is involved in the activities of a terrorist group or in the commission of a terrorist act, or is associated with the proliferation of weapons of mass destruction, and information about assets that may be subject to freezing.

56. The government, through the Ministry of Foreign Affairs, shall notify the requesting party of the inclusion of a person in the list. The decision on inclusion on the basis of a reasoned request from a foreign state shall be notified to the designated person in accordance with the law.

57. The international part of the list includes entities and individuals on international terrorist lists recognized by the Republic of Serbia.

58. In the Republic of Serbia, the entities carrying out transactions with cash or other assets are:

- banks;
- authorized exchange offices and economic entities carrying out currency exchange operations on the basis of a special law regulating their activities;
- investment fund management companies;
- voluntary pension fund management companies;
- providers of financial leasing services;
- insurance companies licensed to carry out life insurance activities and insurance brokerage companies when they carry out life insurance brokering activities; insurance agency companies and insurance agents licensed to carry out life insurance activities, except for insurance agency

companies and insurance agents for whose work the insurance company is liable in accordance with the law;

- broker and dealer companies;
- organizers of special gambling in casinos and using electronic means of communication;
- audit companies and independent auditors;
- electronic money institutions;
- payment institutions;
- intermediaries in trade or real estate leasing;
- factoring companies;
- entrepreneurs and legal entities providing accounting services;
- tax advisors;
- a public postal operator headquartered in the Republic of Serbia, established in accordance with the law regulating postal services, offering payment services in accordance with the law regulating the provision of payment services;
- persons providing postal services;
- digital asset service providers;
- lawyers, in the case of:
  - *assisting in the planning or carrying out of the following types of transactions for the client:*
    - a) the purchase or sale of real estate or a company;
    - b) the management of the client's assets;
    - c) opening or managing a bank account (bank, savings or securities accounts);
    - d) the collection of contributions required for the establishment, operation or management of companies;
    - e) the establishment, operation or management of a company or person under foreign law;
  - *carrying out any financial or real estate transaction for or on behalf of the client.*
- Notaries Public, when they draw up or certify documents relating to real estate transactions.

## The Republic of Tajikistan

59. In the Republic of Tajikistan the work on the formation and maintenance of the List is carried out under the responsibility of the State NSC (National Security Committee) and the National FIU – *Financial Monitoring Department under the National Bank of Tajikistan*.

60. Information for inclusion in the List is received by the FIU from the following public authorities:

- The Prosecutor General's Office of the RT;
- MIA of the RT;
- MFA (Ministry of Foreign Affairs) of the RT;
- State National Security Committee of the RT;
- Supreme Court of the RT;
- Courts of the RT.

61. The List of the Republic of Tajikistan contains the identification data (name, date of birth) of the individuals and entities included therein.

62. Individuals and entities shall be included in the List of the Republic of Tajikistan on the following grounds:

- a final and binding sentence of a Court of the Republic of Tajikistan convicting an individual for a crime of a terrorist nature;
- a statement from the Prosecutor General or his/her subordinate prosecutors of the Republic of Tajikistan to the court to suspend the activities of legal entities and organizations for terrorist activities;
- a final and binding sentence of a Court of the Republic of Tajikistan to liquidate or prohibit the activities of a legal entity or organization in connection with its terrorist or extremist activities;
- an investigator's or prosecutor's order to initiate criminal proceedings against a person who has committed a crime of a terrorist nature;
- compiled by international counter-terrorism organizations or their authorized bodies and recognized by the Republic of Tajikistan lists of organizations and individuals associated with terrorist organizations or terrorists;



- sentences or decisions of courts and decisions of other competent bodies of foreign states recognized in the Republic of Tajikistan in accordance with international treaties and legislative acts of the Republic of Tajikistan in relation to entities or individuals carrying out terrorist activities.

63. In addition, sufficient evidence of a person's involvement in terrorist offences or the proliferation of weapons of mass destruction, in accordance with the criteria set out in the relevant resolutions of the United Nations Security Council, is an additional basis for inclusion on the list.

64. The List of the Republic of Tajikistan is structured into a Consolidated List, a National List and an International List. The Consolidated List is derived from official UNSC sources. The International List is generated on the basis of information received through diplomatic channels through the Ministry of Foreign Affairs or through FIUs of foreign countries. The National List is maintained on the basis of information from the State NSC.

65. An entity or individual is notified of inclusion in the List by posting information on the official website of the FIU on the Internet.

66. Listed persons may appeal against a decision to include them in the list by filing an application to the courts.

67. The list of entities carrying out transactions with cash or other property in the Republic of Tajikistan includes:

- credit institutions;
- professional participants of the securities market;
- insurance and leasing (financial leasing) organizations;
- postal service organizations;
- pawnshops;
- organizations carrying out the purchase and sale of immovable property, precious metals and precious stones, jeweler made thereof, as well as scrap of such items;
- organizations having parimutuel betting and bookmaker's offices, as well as conducting lotteries and other games where the organizer offers the prize fund to participants, including in electronic form;

- organizations managing investment funds or private pension funds;
- lawyers, persons engaged in notarial activities, other independent lawyers and accountants, and individual entrepreneurs providing legal services when they prepare or carry out for their client transactions involving the purchase and sale of real estate, the management of cash, securities or other client property, and the management of bank, savings or securities accounts, as well as the accumulation of assets for the purpose of establishing, securing the operation or management of a legal entity or the establishment and sale and purchase of businesses;
- auditing companies, individual auditors;
- organizations providing trust or company formation services;
- currency exchange points of the credit institutions;
- customs services controlling the transportation of cash and bearer negotiable instruments by residents and non-residents across the border of the Republic of Tajikistan.

68. Organizations carrying out transactions with cash or other property get the next List from the official website of the FIU.

69. At the same time, the Republic of Tajikistan has a mechanism for removing a person from the List. The basis for the removal of individuals and legal entities from the List is the termination of the terms and conditions that served as the basis for their inclusion in the relevant list.

70. An additional ground for removal of persons from the List is the death of a person or the liquidation of a legal entity, which is confirmed in the manner prescribed by law.

## The Republic of Uzbekistan

71. In the Republic of Uzbekistan, the work on the formation and maintenance of the List is organized and the responsible body is the national FIU – *the Department for Combating Economic Crimes under the Prosecutor General's Office of the Republic of Uzbekistan*.

72. Information for inclusion and removal from the List is received by the FIU from the following public authorities:

- The Prosecutor General's Office;
- MIA;
- State Security Service;
- State Committee of Industrial Safety of the Republic of Uzbekistan.

73. Grounds for including an individual or entity in the List are:

- final and binding sentence of a court of the Republic of Uzbekistan convicting a person of having committed a crime related to terrorist activities or the proliferation of weapons of mass destruction;
- final and binding decision of the court of the Republic of Uzbekistan declaring the organization a terrorist organization and its liquidation or prohibition of its activities on the territory of the Republic of Uzbekistan;
- an investigator's or prosecutor's order to involve a person in a criminal case as a suspect or accused of committing a crime related to terrorist activities or the proliferation of weapons of mass destruction;
- placing a person on a wanted list, including an interstate or international one, for an offence related to terrorist activities or the proliferation of weapons of mass destruction;
- the inclusion of an individual or entity in the UN Security Council sanctions lists or its relevant resolutions;
- lists of persons involved in or suspected of being involved in terrorist activities or the proliferation of weapons of mass destruction of foreign states, recognized by the Republic of Uzbekistan on the basis of international treaties or the principle of reciprocity;
- a final and binding sentence of a court of a foreign state declaring a person guilty of a crime related to terrorist activities or the proliferation of weapons of mass destruction, or a final and binding decision declaring an

organization to be a terrorist organization and liquidating it or prohibiting its activities, which has been recognized by the Republic of Uzbekistan on the basis of international treaties or the principle of reciprocity;

- requests by the competent authorities of foreign states to suspend transactions and/or freeze funds or other property of persons involved or suspected of being involved in terrorist activities or in the proliferation of weapons of mass destruction, as recognized by the Republic of Uzbekistan on the basis of international treaties or the principle of reciprocity.

74. Listed persons may appeal against a decision to include them on the list by submitting an application to the FIU or through the courts.

75. Information on inclusion in the List is communicated to the parties concerned by posting the information on the official website of the FIU on the Internet, as well as by post and electronic communication channels (message in the messenger Telegram channel).

76. The List is comprised of two parts: a national part and an international part. Each of these parts contains information on entities and individuals involved in terrorist activities.

77. Thus, the national part of the list is formed on the basis of information from the competent authorities of the Republic of Uzbekistan and the competent authorities of foreign states. This part contains information on individuals involved or suspected of being involved in terrorist activities.

78. The international part is formed on the basis of information received from international organizations and contains information on entities and individuals on the international terrorist watch lists recognized by the Republic of Uzbekistan (the UN Security Council sanctions lists under resolutions 1267, 1988 and other resolutions in furtherance thereof).

79. In the Republic of Uzbekistan, the organizations engaged in transactions with cash or other property are:

- banks and other credit institutions;
- professional participants of the securities market;

- stock exchange members;
- insurers and insurance intermediaries;
- organizations providing leasing services;
- organizations engaged in money transfers, payments and settlements;
- pawnshops;
- organizations conducting lotteries and other risk-based games;
- persons conducting transactions with precious metals and precious stones;
- persons providing services and participating in transactions related to the purchase and sale of immovable property;
- notary offices (notaries), bar associations (lawyers) and auditing organizations - when preparing and carrying out transactions on behalf of clients;
- persons carrying out activities in the field of crypto-assets circulation.

80. Grounds for removal of an entity or individual from the List are:

- final and binding acquittal by a court of the Republic of Uzbekistan of a person accused (convicted) of a crime related to terrorist activities or the proliferation of weapons of mass destruction;
- final and binding decision by the court of the Republic of Uzbekistan to reverse a decision declaring an organization to be a terrorist organization and to liquidate it or prohibit its activities in the territory of the Republic of Uzbekistan;
- serving the sentence by a person convicted of an offence related to terrorist activities or the proliferation of weapons of mass destruction;
- the termination of criminal proceedings against a person who has committed an offence involving terrorist activities or the proliferation of weapons of mass destruction under Article 83 and Article 84, clauses 1 to 3, of the Code of Criminal Procedure of the Republic of Uzbekistan;
- removal of an individual or entity from the sanctions lists of the United Nations Security Council or the relevant resolutions;
- official notification from the competent authority of the foreign country of the removal of the person from the List;
- a final and binding acquittal by a foreign court of a person convicted of a crime related to terrorist activities or the proliferation of weapons of mass destruction, as well as a final and binding decision to reverse a decision to declare an organization terrorist and liquidate it or to prohibit its activities;

- the cancellation or withdrawal of a request by a competent authority of a foreign state to suspend transactions and/or freeze funds or other assets of persons involved in or suspected of being involved in terrorist activities or the proliferation of weapons of mass destruction;
- official documents confirming the person's death.

81. The Republic of Uzbekistan also has a mechanism for including a person at the request of another state. Requests are considered by the FIU, which decides whether or not to include a person in the List and informs the initiator of the request.

82. A request by a competent authority of a foreign state to suspend transactions and/or freeze funds or other assets of sanctioned persons due to their involvement or suspected involvement in terrorist activities or the proliferation of weapons of mass destruction should state the following:

- information suggesting that a person is, or is suspected of being, involved in terrorist activities or the proliferation of weapons of mass destruction;
- information concerning compliance with the criteria for applying sanctions as set out in the relevant UN Security Council resolutions;
- the following information for individuals and legal entities:

a) mandatory information to be provided:

- for a legal entity - name and taxpayer identification number (INN);
- for an individual - surname, name, patronymic, date (day, month, year) and place of birth, details of passport (ID card) or other identity document, address of residence (registration) or place of stay.

b) additional information (if available):

- for a legal entity - number of the certificate of state registration, legal form and type of activity, registered office address, details of founders (owners) and managers (surname, name, patronymic, date of birth, place of residence), information on bank accounts and property;
- for an individual - Individual Personal Identification Number (PINFL), information on place of work and job title, in the case of carrying out activities as an individual entrepreneur - date and number of the certificate of state registration and type of activities.

83. The FIU is responsible for reviewing the removal of a person from the list and the time for reviewing and notifying the applicant of the decision is usually up to 10 working days.



## Chapter 2. Basics and Specifics of the Mechanism to Freeze (Block) Assets

### Republic of Belarus

84. The national legislation of the Republic of Belarus provides for a mechanism for freezing (blocking) assets.

85. Freezing of funds is a ban on the disposal, use of funds (*except for the use of real estate for own needs*) if the owner or holder of the funds is an organization, an individual, including an individual entrepreneur, included in the List, or an organization whose beneficial owner is an individual included in this List.

86. Blocking a financial transaction is a ban on the implementation of a financial transaction (with the exception of the receipt of bank, money, and postal money transfers, the transfer of securities to depo accounts) a participant or a beneficiary in which is an organization, an individual, including an individual entrepreneur, included in the List or an organization whose beneficial owner is an individual included in this List.

87. At the same time, a person whose assets are frozen has the right to apply to the financial monitoring body with a reasoned letter of request to conduct financial transactions to satisfy its essential needs. The financial monitoring body, within five working days from the date of receipt of such a letter of request, allows financial transactions to be conducted in the amount of the state-established budget of the average subsistence minimum per capita per month, or gives a reasoned refusal.

88. The legislation of the Republic of Belarus does not contain a direct definition of the concept of “basic expenses”.

89. The information on frozen (blocked) assets is collected and analyzed in the Republic of Belarus by the national FIU – *Financial Monitoring Department of the State Control Committee of the Republic of Belarus*.

90. At the same time, the Republic has established a mechanism for the exchange of information on frozen assets: financial monitoring entities, in accordance with the

law, send on their own initiative the information about such assets to the FIU. The measures to freeze the funds of the persons included in the List are applied on the basis of the decisions made by the persons engaged in financial transactions, and the ruling of the financial monitoring body.

91. Reporting the fact of freezing (blocking) is established in the internal control rules of the persons conducting financial transactions. For example, in accordance with the Instructions, a real estate registrar, upon receipt of a decision to freeze funds or a ruling to freeze funds issued by a financial monitoring body immediately takes the necessary registration actions and within *three working days* notifies of the same in writing by registered mail the right holders of the relevant real estate objects.

92. A contact center that resolves disputes arising with the organizations engaged in transactions with funds or other property when freezing assets has not yet been created in Belarus. However, in this sphere, financial monitoring entities are guided by the national legislation, international practice, instructions of the FIU, as well as by their own internal control rules (including NPK procedures). At the same time, the client's background information for its presence in the List is verified not only upon its acceptance for service but also in case of changes in this background information (passport, registration address).

93. Financial monitoring entities are required at least once every three months check for the presence among their clients of the organizations, individuals, including individual entrepreneurs, included in the List, the organizations whose beneficial owners are individuals included in the List, and if such clients are identified, immediately, but no later than one business day from the date of detection, freeze their funds.

94. In addition to the mechanism for freezing (blocking) assets of the persons on the List, there are also financial restrictions implemented in order to prevent and combat the financing of terrorism. Thus, the organization whose beneficial owner is an individual included in the List are subject to the freezing of funds and (or) blocking of financial transactions.

95. In addition, the FIU issues a decision to suspend financial transactions (except for cash receipt transactions) if there are sufficient grounds indicating that the financial transactions are related to the receipt and (or) ML/TF/FPWMD.

## Republic of Kazakhstan

96. In the Republic of Kazakhstan, there is a mechanism for freezing (blocking) assets. The very concept of "assets freezing" means measures taken by the organizations that conduct transactions with funds or other property and by the government agencies to suspend the transfer, conversion, alienation and movement of money and (or) other property.

97. Subject to freezing are the funds and any other property of all, without exception, persons on the national List.

98. At the same time, a person whose assets are frozen, in order to satisfy the essential needs of itself and the members of its family who do not have independent sources of income, has the right to apply to the financial monitoring entity for conducting following transactions with money or other property:

- received as payment for a labor leave or as wages in an amount not exceeding the minimum wage established for the relevant financial year by the law on the republican budget, within a calendar month, based on each family member;
- received as a pension, expenses for business trips, scholarships, allowances, other social payments in accordance with the legislation of the Republic of Kazakhstan, and as necessary for the payment of taxes, utility and social charges, other obligatory payments to the budget, penalties and fines.

99. The information on frozen assets is collected and analyzed by the national FIU – *Financial Monitoring Agency* of the Republic of Kazakhstan, which, in addition, participates in the exchange of such information:

- receives from financial monitoring entities the information on frozen assets;
- regularly sends requests to financial monitoring entities for additional information.

100. In addition, the assets subject to freezing identified by the intelligence agencies as a result of relevant activities are frozen immediately upon discovery.

101. International cooperation in this area has also been implemented: if there are suspicions that the persons subject to freezing measures have assets in another

country, the Republic of Kazakhstan sends an appropriate notification there, which contains personal data and other available information about this person.

102. If there are documented grounds for the death of an individual included in the List, the measures to freeze its assets cease to apply.

103. A contact center that resolves disputes arising with the reporting entities on the issues of freezing (blocking) assets has not yet been created. At the same time, in fact, all supervisory bodies - the regulatory bodies perform its function.

104. When taking measures to freeze assets, these organizations are guided by the national legislation. At the same time, the client's background information for its presence in the List is verified daily by financial monitoring entities.

105. In addition, the legislation of the Republic of Kazakhstan provides for additional financial restrictions for the transactions that have signs of terrorist financing, which are as follows. Financial monitoring entities send information about a suspicious transaction to the FIU, which, in case of a decision to suspend such a transaction for up to 3 working days, notify of the same the Prosecutor General of the Republic of Kazakhstan. If a response decision is received that there are grounds to suspect the involvement of this transaction in the financing of terrorism, the FIU makes a decision to suspend debit transactions for up to 15 calendar days.

## People's Republic of China

106. The People's Republic of China has a mechanism for freezing (blocking) assets. The very concept of "assets freezing" means a ban on any financial transactions with assets, imposing a ban on the transfer, conversion, disposal and other operations with funds, securities or other property, including the termination of opening, changing, canceling and using financial accounts.

107. Subject to freezing are the funds and any other assets of all, without exception, persons on the national List.

108. In the People's Republic of China, the decision to freeze funds or other property of the persons on the List is the responsibility of the National Counter-Terrorism Leading Group.

109. Information on the frozen assets is collected and analyzed by public security bodies, state security bodies and the competent anti-money laundering authority. The organizations conducting transactions with funds or other property, in accordance with applicable law, send on their own initiative the information about frozen assets to the competent authority.

110. Financial institutions and designated non-financial businesses and professions must promptly notify the relevant clients of the freezing and explain the grounds and reasons for the freezing, unless otherwise required by law.

111. At the same time, a person whose assets have been frozen has the right to receive a monthly humanitarian allowance by decision of the Ministry of Public Security in order to satisfy its essential needs. The amount and procedure for paying this allowance is determined by the same state body.

112. The contact center that resolves disputes arising with the organizations engaged in transactions with funds or other property on the issues of freezing (blocking) assets is the working body of the National Anti-Terrorism leading group. When applying the assets freezing measures, these organizations are guided by the national legislation and their internal control rules.

113. Every time a new client appears or the personal data of an existing one changes (passport change, etc.), the organizations that conduct transactions with funds or other property must check the clients for the presence of the persons subject to the freezing (blocking) measures.

114. In addition, the legislation of the People's Republic of China provides for restrictions on all types of financial relations for the persons who have business ties with the persons in respect of whom freezing (blocking) measures have been applied.

115. At the same time, the People's Republic of China has a mechanism for prompt freezing of assets in the early stages of an investigation when there are reasonable grounds to suspect a person's involvement in terrorist activities, but there are no grounds for putting such a person on the List. This mechanism does not require court approval. All law enforcement agencies can use this mechanism at the initial stage of an investigation and freeze assets of any kind. In particular, the mechanism is applicable in case of a request from a foreign state. The current legislation regarding mutual legal assistance prescribes that the written request and the materials attached to it must contain information about the property involved, the location of the property involved, a copy of the relevant legal document, relevant legal provisions, etc.



## Kyrgyz Republic

116. The legislation of the Kyrgyz Republic provides for a mechanism for freezing (blocking) assets. The term “assets freezing” itself is defined as the prohibition of an operation (transaction) with funds or the transfer, conversion, alienation and movement of any funds.

117. In accordance with the legislation of the Kyrgyz Republic, the following are subject to freezing:

- any funds owned or controlled by the persons, groups, organizations included in the List;
- funds that are wholly or jointly, directly or indirectly (through third parties) owned or controlled by the persons, groups, organizations included in the List;
- funds received or produced by using the funds that are wholly or jointly, directly or indirectly (through third parties) owned or controlled by the persons, groups, organizations included in the List;
- funds of the persons, groups, organizations acting on behalf or on instructions of the persons, groups, organizations included in the List;
- funds intended to finance terrorist and extremist activities, terrorists and extremists, terrorist and extremist organizations or persons that distribute weapons of mass destruction;
- funds defined in the relevant resolutions of the UN Security Council.

118. At the same time, the persons on the List are provided with access to frozen funds for the following purposes:

- payment for housing rent and utilities;
- repayment of a mortgage loan;
- payment of taxes and insurance premiums;
- payment of charges, commissions or fees for the current storage or maintenance of bank settlement accounts and frozen funds;
- buying food;
- buying medicines;
- payment for medical services (treatment);
- payment for legal services (fee).

119. In addition, access to frozen funds for emergency expenses is provided in accordance with the procedures stipulated by UNSCR 1452 (2002), 1963 (2010).

120. The information on frozen assets is collected and analyzed by the FIU, which receives such information from financial monitoring entities.

121. In addition, the assets subject to freezing identified by the intelligence agencies as a result of relevant activities are frozen upon the transfer of the relevant information to the FIU.

122. The Kyrgyz Republic also cooperates at the international level in this sphere: if it is suspected that the persons subject to freezing measures have assets in another country, a notification is sent there, which contains the following information:

- grounds for freezing funds;
- type and amount of the funds to be frozen;
- classification of the crime;
- explanation of how these funds are related to the crime;
- explanation of the relationship between any natural and legal persons on whose behalf the funds may be held;
- evidence and any information indicating the reliability of such evidence;
- funds freezing period.

123. In the Kyrgyz Republic, the FIU is the contact center for resolving disputes arising with the organizations engaged in transactions with funds or other property in case of assets freezing. In this sphere, financial monitoring entities are guided by the national legislation, international practice, instructions of the FIU, as well as by their own internal control rules (including NPK procedures).

124. In addition to the mechanism for freezing (blocking) assets of the persons on the List, there are also financial restrictions implemented in order to prevent and combat the financing of terrorism. Thus, the following transactions are subject to suspension for 3 working days:

- of the legal entities owned or controlled by the persons subject to the assets freezing measures;
- of the individuals and legal entities acting on behalf of or on the instruction of the persons subject to the assets freezing measures.

## Russian Federation

125. There are several ways to freeze (block) assets in the Russian Federation. The very concept of "freezing non-cash funds or other property" means a prohibition for the owner and holder of property, organizations engaged in transactions with funds or other property, other individuals and legal entities to conduct transactions with funds, securities or other property owned by an organization or an individual included in the List, or by an organization or individual in respect of whom there are reasonable grounds to suspect their involvement in terrorist activities (including terrorist financing) in the absence of grounds for inclusion in the specified List.

126. The first way, as follows from the definition, is to freeze the assets of all the persons on the List without exception. At the same time, the legislation of the Russian Federation allows the persons included in the national part of the List, in order to satisfy their essential needs (and essential needs of the cohabiting family members who do not have independent sources of income), to conduct:

- transactions with funds or other property intended to receive and spend wages in the amount not exceeding 10,000 rubles per calendar month for each specified family member;
- transactions with funds or other property intended to receive and spend pensions, scholarships, allowances, other social payments in accordance with the legislation of the Russian Federation, as well as to pay taxes and fines.

127. The information on the frozen assets is collected in the Russian Federation by the national FIU – *Federal Financial Monitoring Service (Rosfinmonitoring)* which, in accordance with the current legislation, receives information on frozen assets from financial monitoring entities.

128. When a person is excluded from the List, its assets are subject to immediate unfreezing, but no later than one business day from the date of posting on the Internet on the official website of the FIU information about the removal of a person from the List.

129. The Russian Federation also cooperates with other states in this sphere. If there are suspicions that the persons subject to freezing measures have assets in another country, a notification is sent there containing the personal data of these persons, as well as information about the assets found in that country.

130. The second way to freeze assets of an organization or an individual is to make a decision to freeze funds or other property by the *Inter-Agency Commission on Combating the Financing of Terrorism (hereinafter referred to as the Inter-Agency Commission)*, which is an interdepartmental coordinating body that performs the functions of combating the financing of terrorism. This method is implemented primarily in the absence of legally established grounds for including an organization or individual in the List, if there are sufficient grounds to suspect the involvement of such an organization or person in terrorist activities (including financing of terrorism).

131. The Inter-Agency Commission considers the received materials and appeals containing information about the possible involvement of an organization or individual in terrorist activities (including terrorist financing), within a period not exceeding 60 days.

132. The Inter-Agency Commission considers the materials of state authorities and organizations of the Russian Federation, as well as appeals received by the FIU of the Russian Federation from the competent authorities of foreign states containing information about the possible involvement of an organization or individual in terrorist activities (including financing of terrorism). In addition, the Inter-Agency Commission also considers at its meetings:

- information about changes in the information about an organization or individual in respect of which a decision to freeze assets was previously made;
- the need to cancel the earlier decision to freeze assets, including when the persons involved in such a decision are included in the List.

133. In some cases, the Inter-Agency Commission may send requests for additional information required to make an appropriate decision. Representatives of

the bodies and organizations (including specialists from competent bodies of foreign states) that have submitted materials for making a decision to freeze assets may also be invited to the meetings of the Inter-Agency Commission.

134. The decision of the Inter-Agency Commission to freeze the property of an organization or individuals sent to the Rosfinmonitoring for posting on its official website on the Internet.

135. An individual in respect of whom there is a decision on the freezing of assets adopted by the Inter-Agency Commission, in order to satisfy its essential needs, is assigned a monthly humanitarian allowance at the expense of the frozen funds of this individual.

136. The FIU is the contact center for resolving disputes arising with the financial monitoring entities when freezing assets. In their activities to freeze assets, such organizations are guided by the national legislation, the instructions of the FIU and other supervisory authorities, as well as by their internal control rules. Financial monitoring entities check their clients and their counterparties according to the List every time they establish business relations, conduct financial transactions, and also at least once every three months.

137. In addition to the Inter-Agency Commission, the Russian AML/CFT system also uses a mechanism to suspend financial transactions related to FT (*mechanism "5+30"*) - the most efficient instrument that allows to freeze transactions on the account on the same day. According to Article 7(10) of the AML/CFT Law, organizations that conduct transactions with funds or other property, as part of internal control, in case of identifying a person subject to control included in the List, suspend the relevant transactions of these persons (except for crediting funds) for five working days.

138. Further, within the 4 days, Rosfinmonitoring checks the identified financial transaction for possible involvement in terrorist activities or its financing using the information received from law enforcement agencies and other available information.

139. If the information received by Rosfinmonitoring based on the results of this preliminary audit is found to be justified, Rosfinmonitoring issues a decision to suspend transactions with funds or other property for up to 30 days, if during this period no decision has been taken to freeze assets by the Inter-Agency Commission on Combating the Financing of Terrorism, and there are no grounds for inclusion in the List, or these operations have not been suspended by a court decision.

140. During this period, an additional verification of the connection between the suspended transactions and the financing of terrorism takes place, and if such a connection is confirmed, a decision may be made to freeze these and other transactions of the suspected person by the decision of the Interdepartmental Commission, or to suspend the transactions by a court decision.

## Republic of Serbia

141. In the Republic of Serbia, there is a mechanism for freezing (blocking) assets. The concept of "assets freezing" is defined as a temporary prohibition on the transfer, conversion, alienation and movement of assets or a temporary management of such assets based on the decision of the competent state authority.

142. Assets (financial instruments, assets of any kind) of all persons on the List without exception are subject to freezing.

143. The persons whose assets are frozen can apply to the court for a certain amount of the frozen funds needed to cover basic living expenses, including food, rent or home loan payments, medical care and medicines, taxes, insurance premiums, utility costs, legal fees, charges for regular maintenance or storage of frozen funds.

144. The information on the frozen assets is collected in the Republic of Serbia by the national FIU – *Anti-Money Laundering Administration* which, in accordance with the current legislation, receives information on frozen assets from financial monitoring entities.

145. In addition, the assets subject to freezing identified by the intelligence agencies as a result of relevant activities are frozen immediately upon discovery.

146. At the same time, there is a mechanism for notifying the person on the List that its funds are frozen. This mechanism is implemented by sending an information letter to the registration address of such a person.

147. The Republic of Serbia cooperates with other states in this sphere. If funds of the persons included in the List are frozen (blocked) on the basis of a request from a foreign state or an international organization, they are notified through diplomatic channels.

148. If there are suspicions that the persons subject to freezing measures have assets in another country, an appropriate notification is sent there containing information about the person, facts confirming the reasonable belief that the person is a terrorist, finances terrorism, participates in the activities of a terrorist group or



in the commission of a terrorist act or is related to the proliferation of weapons of mass destruction, as well as about the assets that may be subject to freezing.

149. In addition, in terms of the message received from a reporting entity about freezing the property (funds) or other financial assets of a person included in the List at the request of a foreign state, the FIU sends a relevant message to the authorized body of a foreign state, and in the absence of such a body in this country, sends its message through diplomatic channels to the Ministry of Foreign Affairs of a given country, or to its diplomatic representative office, for consideration and further guidance.

150. In the Republic of Serbia, there is a mechanism for the prompt freezing of assets (suspension of transactions) at the early stages of the investigation, when there are sufficient grounds to suspect the connection of a person with terrorist activities, which is regulated by the relevant AML/CFT Law. The FIU issues a written order to the financial monitoring entity on the temporary suspension of such a transaction, as a result of which it informs the competent authorities so that they can take measures within their competence.

151. Along with this, the Head of the FIU has the right, in urgent cases, to issue an oral order to temporarily suspend the transaction, including access to a safe deposit box, which must be confirmed in writing no later than the next working day.

152. A contact center that resolves disputes arising with the financial monitoring entities when freezing assets has not been created in the Republic of Serbia. However, in their assets freezing activities, the reporting entities are guided by the national legislation, the instructions of the FIU, and by their internal control rules. The reporting entities must also regularly (whenever a change is made to the List, as well as in other cases in accordance with their internal control rules) monitor the existing database to identify the persons included in the List.

153. If there is a high probability that the funds and other assets of the persons from the national List can be transferred to another country, the Republic of Serbia sends a notification to this country.



## Republic of Tajikistan

154. In the Republic of Tajikistan, there is a mechanism for freezing (blocking) assets. The concept of "assets freezing" is defined as a ban on the transfer, conversion, disposal and other transactions with funds, securities or property (funds) owned by an individual or organization, client, counterparty or beneficial owner included in the List.

155. Subject to freezing are the assets (funds and any other property) of all, without exception, persons on the List.

156. The persons whose assets are frozen may apply to the court for a certain amount of the frozen funds to satisfy their essential needs, including food, rent or mortgage, medicines and medical care, taxes, insurance payments, social benefits and utilities, or solely for the payment of professional services at reasonable rates and for the reimbursement of the costs associated with the provision of legal services, or fees or charges for the ongoing storage or maintenance of frozen funds or other financial assets or economic resources, in accordance with the procedures provided for in the UN Security Council Resolutions No. 1373 (2001), No. 1452 (2002) and other resolutions adopted in their follow-up.

157. The information on frozen assets is collected in the Republic of Tajikistan by two state authorities: The FIU and the State KNB to which the financial monitoring entities send the relevant messages within 6 hours from the time of assets freezing.

158. In addition, the assets subject to freezing identified by the intelligence agencies as a result of relevant activities are frozen immediately upon discovery.

159. Upon termination of the conditions that served as the basis for inclusion in the List, and upon receipt of the relevant documents, the State KNB makes a decision on unfreezing within two working days and sends copies of this decision to the reporting entities and the FIU for unfreezing.

160. The Republic of Tajikistan interacts with other states in this sphere. If there are suspicions that the persons subject to freezing measures have assets in another

country, a notification is sent there containing the personal data of these persons, as well as information about their connections.

161. In addition, in terms of the message received from a reporting entity about freezing the property (funds) or other financial assets of a person included in the List at the request of a foreign state, the FIU sends a relevant message to the authorized body of a foreign state, and in the absence of such a body in this country, sends its message through diplomatic channels to the Ministry of Foreign Affairs of a given country, or to its diplomatic representative office, for consideration and further guidance.

162. The FIU is the contact center for resolving disputes arising with the financial monitoring entities when freezing assets. In such assets freezing activities, such entities are guided by the national legislation, the instructions of the FIU, and by their internal control rules. The reporting entities must also regularly (with each change to the List) monitor the existing database with the persons from the List.

## Republic of Uzbekistan

163. In the Republic of Uzbekistan, there is a mechanism for freezing (blocking) assets. Legislation of Uzbekistan uses the wording “suspension of transactions and (or) freezing of funds or other property”, each of which is defined as follows:

- suspension of transactions - suspension of the execution of the client's instructions for the transfer, conversion, transfer of funds or other property into possession and use of other persons, as well as taking other legally significant actions;
- freezing of funds or other property - a ban on the transfer, conversion, disposal or movement of funds or other property.

164. Subject to freezing are the assets (funds and any other property) of all, without exception, persons on the List.

165. A person included in the List has the right to apply to the reporting entity to gain access to the frozen property in order to:

- buy food, medicines and medical products, pay rent, mortgage loan, utility bills, medical services, taxes and fees, make insurance payments, pay to lawyers and for legal advice services within the average market prices, make current payments and pay fees related to maintaining bank accounts or maintaining property;
- pay emergency expenses;
- expenses provided for in the UN Security Council resolutions 1718 (2006), 1737 (2006), 2231 (2015) and in the resolutions adopted in their follow-up.

166. Information about the purpose, amount, details and identification data of the recipient of funds or other property, the funds beneficiary bank are attached to such an appeal. The reporting entity, no later than one working day after receiving such an appeal, sends it to the FIU. Further, within two working days, the FIU makes one of the following decisions:

- to send the appeal for consideration to the competent authority of the Republic of Uzbekistan, the information of which was the basis for the inclusion of a person in the List, which is considered within seven working days (except when, in order to make a decision, it is necessary to obtain information from the relevant competent authorities of the Republic of Uzbekistan or send

requests to the competent authorities of foreign states or international organizations);

- if a person is included in the List on the basis of sanction lists or relevant resolutions of the UN Security Council, or requests from competent authorities of foreign states:
  - to send this appeal to the Ministry of Foreign Affairs of the Republic of Uzbekistan for its subsequent submission for consideration to the UN Security Council or its relevant committee in accordance with the requirements of the relevant resolutions of the UN Security Council;
  - to send to the competent authority of the foreign state that sent the request a notification of receipt of the appeal to agree on the issue of providing access to the frozen property.

167. Thus, based on the results of the above activities, the FIU informs the reporting entity about the decision taken no later than two working days.

168. The information on the frozen assets is collected in the Republic of Uzbekistan by the FIU, to which the financial monitoring entities send the relevant messages about frozen funds.

169. One of the grounds for removing a person from the List is its death. If a person is removed from the List, the funds or other property are subject to unfreezing. The issue of the use of unfrozen property by the relatives of the deceased person is resolved in accordance with the generally established procedure.

170. In the event that assets are found in another country that are owned by the person in respect of whom freezing measures have been applied, the legislation of the Republic of Uzbekistan does not contain a separate requirement to send a relevant notification to a foreign state; however, there are no obstacles to doing this within the framework of the existing authority, including international cooperation.

171. At the same time, there is the following procedure for fulfilling the requests of the competent authorities of foreign states. The request of the competent authority of a foreign state to suspend transactions and (or) freeze funds or other property of the persons subject to sanctions in connection with their participation or suspected participation in terrorist activities or the proliferation of weapons of mass destruction must contain the following:

- information giving grounds to believe that a person is involved or is suspected of participating in the terrorist activities or the proliferation of weapons of mass destruction;
- information on compliance with the criteria that are the basis for the application of sanctions as determined by the relevant resolutions of the UN Security Council;
- the following information about individuals and legal entities:

*information required to be submitted:*

- for a legal entity - name and taxpayer identification number (TIN);
- for an individual - last name, first name, patronymic, date (day, month, year) and place of birth, details of the passport (identification ID card) or other identity document, address of the place of residence (registration) or place of stay;

*additional information (if any):*

- for a legal entity - number of the certificate of state registration, legal form and type of activity, legal address, information on the founders (owners) and managers (last name, first name, patronymic, date of birth, place of residence), information on the availability of bank accounts and property;
- for an individual - personal identification number of an individual (PINFL), information about the place of work and position, in the case of conducting activities as an individual entrepreneur - date and number of the certificate of state registration and type of activity.

172. A separate contact center has not been created to resolve disputes arising with the financial monitoring entities when freezing assets; however, in practice, the reporting entities apply to the FIU. In such assets freezing activities, such entities are guided by the national legislation, the instructions of the FIU, and by their internal control rules. Financial monitoring entities check their clients and their counterparties according to the List every time they establish business relations, conduct financial transactions, and also on a regular basis (upon each update of the List, but at least once every three months).

## **Conclusion**

173. The study revealed different approaches of states to the freezing of assets. First of all, the vast majority of participating states freeze assets of the persons included in their national Lists. One way to freeze a person's assets in another country may be to request that the person be added to that state's List.

174. Also, in some states (Belarus, Russia, Serbia, Tajikistan, Uzbekistan) it is possible to freeze (block, suspend) funds or other property of the persons not included in the List, but in respect of which there is sufficient information to suspect their involvement in terrorist activities or in financing of terrorism. Such states may be requested to apply asset freezing measures to a specific person.

175. It should be noted once again that terrorist activity is directly dependent on the availability of well-organized sources of its financing or support. Freezing assets of the persons involved in such activities, as well as their likely accomplices, is a preventive measure that allows states to promptly and adequately respond to emerging threats to national security.

176. In view of the foregoing, we once again urge countries to treat with the utmost responsibility the existing opportunities for international cooperation in the area of combating the financing of terrorism, including the implementation of measures to freeze assets at the request of foreign states.



## List of Regulations

1. Decree of the Council of Ministers of the Republic of Belarus dated December 30, 2014 No. 1256 "On approval of the Regulations on the procedure for determining the list of persons participating in terrorist activities, involved in the proliferation of weapons of mass destruction or being under the control of such persons, appealing the decision to include persons in such a list and considering other appeals of these persons, bringing this list to the attention of the persons conducting financial transactions and of the financial monitoring body".
2. Law of the Republic of Belarus dated July 18, 2011 No. 300-Z "On appeals of individuals and legal entities".
3. Law of the Republic of Belarus "On measures to prevent the legalization of proceeds from crime, the financing of terrorist activities and the financing of the proliferation of weapons of mass destruction" dated June 30, 2014 No. 165-3.
4. Law of the Republic of Kazakhstan "On counteracting the legalization (laundering) of proceeds from crime and the financing of terrorism" dated June 10, 2014 No. 206-V.
5. Law of the Kyrgyz Republic dated August 6, 2018 No. 87 "On countering the financing of terrorist activities and the legalization (laundering) of proceeds from crime".
6. "Regulations on the procedure for suspending an operation (transaction), freezing and unfreezing an operation (transaction) and (or) funds, providing access to frozen funds and managing frozen funds" approved by the Resolution of the Cabinet of Ministers of the Kyrgyz Republic dated August 18, 2021 No. 143.
7. Law of the People's Republic of China "On combating money laundering" dated October 31, 2006 (Decree of the PRC Chairman No. 56).
8. Federal Law of the Russian Federation dated August 07, 2001 No. 115-FZ "On combating the legalization (laundering) of proceeds, and the financing of terrorism".
9. Decree of the Government of the Russian Federation dated August 06, 2015 № 804 "On approval of the Rules for determining the list of organizations and individuals in respect of which there is information about their involvement

- in extremist activities or terrorism, and bringing this list to the attention of the organizations engaged in transactions with funds or other property, and individual entrepreneurs".
10. Decree of the President of the Russian Federation dated November 18, 2015 No. 62 "On the Interdepartmental Commission for combating the financing of terrorism".
  11. Law of the Republic of Serbia "On the AML/CFT" dated December 21, 2020 No. 153.
  12. Law of the Republic of Serbia No. 29/2015, 113/2017 and 41/2018 "On freezing assets for the prevention of terrorism and proliferation of weapons of mass destruction".
  13. Law of the Republic of Tajikistan "On countering the legalization (laundering) of proceeds from crime, the financing of terrorism and the financing of the proliferation of weapons of mass destruction" dated March 25, 2011 No. 684.
  14. Decree of the Government of the Republic of Tajikistan No. 129 dated March 29, 2019 "Procedure for implementing measures to freeze and unfreeze financial assets or other property of the individuals and organizations included in the list of persons associated with terrorism".
  15. Law of the Republic of Uzbekistan "On countering the legalization (laundering) of proceeds from crime, the financing of terrorism and the financing of the proliferation of weapons of mass destruction" dated January 15, 2019 No. ZRU-516.
  16. "Regulations on the procedure for suspending operations, freezing funds or other property, granting access to frozen property and resuming operations of the persons included in the list of persons involved or suspected of participating in terrorist activities or proliferation of weapons of mass destruction" approved by the Order of the Prosecutor General dated July 30, 2021 No. 53-B.
  17. United Nations Security Council Resolution 1267 (1999).
  18. United Nations Security Council Resolution 1373 (2001).
  19. United Nations Security Council Resolution 1452 (2002).
  20. United Nations Security Council Resolution 1963 (2010).
  21. United Nations Security Council Resolution 1988 (2011).

22. United Nations Security Council Resolution 1989 (2011).
23. United Nations Security Council Resolution 2253 (2015).
24. International standards for combating money laundering and the financing of terrorism and proliferation of weapons of mass destruction – FATF Recommendations.