

Annexure to F.E. Circular 09 dated October 18, 2018

**Guidelines on Compliance of Government of Pakistan's Statutory Regulatory Orders (SROs) /
Notifications issued under United Nations Security Council (UNSC) Resolutions / The Anti Terrorism
Act (ATA), 1997**

1. The UNSC's relevant Committee established in pursuance of Resolution 1267 (1999) and successor resolutions approves the addition, amendments and deletion of individuals and entities subject to the assets freeze, travel ban and arms embargo as set out in the aforementioned Security Council resolutions adopted under Chapter VII of the Charter of the United Nations.
2. The UNSC's relevant Committees established in pursuance of resolutions 1718 (2006) and 2231 (2015) and their successor resolutions oversee sanction measures imposed by the UNSC to counter proliferation financing. As a starting point, elements that may indicate potential proliferation financing and sanctions evasion activities are as under:
 - i. Transaction involves person or entity in foreign country of proliferation concern.
 - ii. Transaction involves person or entity in foreign country of diversion concern.
 - iii. The customer or counter-party or its address is similar to one of the parties found on publicly available lists of "denied persons" or has a history of export control contraventions.
 - iv. Customer activity does not match business profile, or end-user information does not match end user's business profile.
 - v. Transaction involves persons or entities (particularly trading entities) located in countries with weak export control laws or weak enforcement of export control laws.
 - vi. Pattern of wire transfer activity that shows unusual patterns or has no apparent purpose.
 - vii. Customer vague/incomplete on information it provides, resistant to providing additional information when queried.
3. The Government of Pakistan under the United Nations (Security Council) Act, 1948 gives effect to the decisions of UNSC whenever the Consolidated List maintained by the Sanctions Committee is updated. The Ministry of Foreign Affairs issues Statutory Regulatory Orders (SROs) to provide legal cover for implementing sanction measures under Security Council Resolutions. These SROs in respect of designated¹ individuals/ entities require assets freeze, travel ban and arms embargo in addition to other measures in accordance with the Security Council Resolutions. These SROs are also available on the [Ministry of Foreign Affairs website](#).
4. Similarly, for implementing sanction measures under Security Council Resolution 1373(2001), the Ministry of Interior issues Notifications of proscribed² individuals /entities pursuant to the Anti-Terrorism Act, 1997.
5. State Bank of Pakistan circulates the subject SROs/Notifications to its regulated entities for taking necessary action.
6. The Consolidated Lists available at the UNSC Sanctions Committee's website, are regularly updated and can be accessed at the following links:

¹ Designated under the United Nations (Security Council) Act, 1948

² Proscribed under the Anti Terrorism Act, 1997

- (a) https://www.un.org/sc/suborg/en/sanctions/1267/aq_sanctions_list
- (b) <https://www.un.org/sc/suborg/en/sanctions/1988/materials>
- (c) <https://www.un.org/sc/suborg/en/sanctions/1718/materials>
- (d) <http://www.un.org/en/sc/2231/list.shtml>
- (e) <https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list>

Exchange companies and Exchange companies of 'B' Category are advised to regularly access the aforesaid Consolidated Lists to ensure compliance with measures in line with the UNSC resolutions.

7. Exchange companies and Exchange companies of 'B' Category may educate their customers that in case of any wrongful or inadvertent freezing, they may apply in writing for de-listing to Government of Pakistan through relevant Ministry or to the UN's Ombudsperson, as the case may be.
