

CAYMAN ISLANDS



Supplement No. 3 published with Extraordinary
Gazette No. 7 dated January 26, 2021.

NOTICE

**THE NICARAGUA (SANCTIONS) (OVERSEAS TERRITORIES) (NO. 2)
ORDER 2020**

SI 2020 NO. 1269

**THE NICARAGUA (SANCTIONS) (OVERSEAS TERRITORIES) (NO. 2)
ORDER 2020**

SI 2020 NO. 1269

NOTICE is hereby given that the Nicaragua (Sanctions) (Overseas Territories) (No. 2) Order 2020 SI 2020 No. 1269, was made on 11th November, 2020 and comes into force in accordance with article 1(1) of the Order.

The full text of the Order can be viewed via the following link:

https://www.legislation.gov.uk/ukxi/2020/1269/pdfs/ukxi_20201269_en.pdf

The Explanatory Note of the Nicaragua (Sanctions) (Overseas Territories) (No. 2) Order 2020 SI 2020 No. 1269 is as follows:

“EXPLANATORY NOTE

(This note is not part of the Order)

This Order extends with modifications the Nicaragua (Sanctions) (EU Exit) Regulations 2020 (S.I. 2020/610) (“the Regulations”) as amended from time to time to all British overseas territories except Bermuda and Gibraltar (which implement sanctions under their own legislative arrangements).

Section 63(3)(c) of the Sanctions and Anti-Money Laundering Act 2018 (c.13) (“the Sanctions Act”) provides that Her Majesty may by Order in Council provide for any provision of Part 1 of that Act, or any regulations under Part 1 of that Act, to extend with or without modifications to any of the British overseas territories. Section 63(4) provides that this includes the power to extend any regulations as amended from time to time.

The Regulations were made under Part 1 of the Sanctions Act to establish a sanctions regime in relation to Nicaragua for the purposes of encouraging the Government of Nicaragua to: respect democratic principles and institutions, the separation of powers and the rule of law, refrain from the repression of civil society, and comply with international human rights law and respect human rights.

The Regulations, as modified and extended to the British overseas territories listed in Schedule 1 by this Order (“the modified Regulations”), provide that a person designated by the Secretary of State for being, or having been, involved in activities contrary to those purposes, is a designated person for the purposes of

the modified Regulations. Designated persons may be excluded from the territory and may be made subject to financial sanctions, including having their funds or economic resources frozen.

The modified Regulations provide for certain exceptions to this sanctions regime (for example to allow for frozen accounts to be credited with interest or other earnings and to allow acts done for the purpose of national security or the prevention of serious crime). The Governor may, with the consent of the Secretary of State, issue a licence in respect of activities that would otherwise be prohibited under the modified Regulations. Schedule 2 sets out the purposes pursuant to which the Governor may issue such licences. The modified Regulations also require the Governor of the relevant territory to publish an up-to-date list of designated persons.

The modified Regulations prescribe powers for the provision and sharing of information to enable the effective implementation and enforcement of the sanctions regime. The modified Regulations make it a criminal offence to contravene, or circumvent, any of the prohibitions in the modified Regulations and prescribe the penalties that apply to such offences.

This Order also extends to the territories for the purposes of the modified Regulations specific provisions of Part 1 of the Sanctions Act, namely provisions relating to protection for acts done for purposes of compliance, Crown application and saving for prerogative powers.

The modifications set out in Schedule 2 to this Order include modification to a provision in the Regulations which is prospectively amended by the Sanctions (EU Exit) (Miscellaneous Amendments) (No. 4) Regulations 2020 (S.I. 2020/951) (“the amending regulations”). Therefore, article 1(1) provides that this Order comes into force immediately after the amending regulations have come into force in the United Kingdom. The amending regulations will be brought into force on a day yet to be appointed by the Secretary of State in regulations under section 56 of the Sanctions Act.

An Impact Assessment has not been prepared for this instrument: the territorial extent of the instrument and the modified Regulations is the British overseas territories listed in Schedule 1, and no, or no significant, impact is foreseen on the private, voluntary or public sectors in the United Kingdom.”.