

**IPBA – Navigating a New
Economic Sanctions Era:
Impact on Global
Business/Sanctions Risk
Management**
A Singapore perspective

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Singapore's sanctions regime

- As a member of the United Nations, Singapore implements the Resolutions passed by the UN Security Council (**UNSC**) through domestic laws. These include arms embargoes and sanctions on missiles or nuclear related goods. Activities which contravene the decisions of the UNSC in their Resolutions are prohibited. The primary domestic laws are:
 - UN Act 2001: The UN Act 2001 gives the Minister for Law the power to make regulations that are necessary to comply with sanctions requirements issued by the UNSC.
 - MAS Act 1970: MAS gives effect to targeted financial sanctions under the UNSCRs through MAS Regulations issued pursuant to section 27A of the MAS Act. MAS Regulations apply to *all* financial institutions in Singapore.
- Singapore also gives effect to its international obligations as a responsible member of the international community by imposing export control measures through the following statutes and their regulations in order to prevent proliferation of weapons of mass destruction:
 - Strategic Goods (Control) Act 2002
 - Regulation of Import and Export Act 1995

Singapore's sanctions on Russia

- On 28 February 2022, Minister for Foreign Affairs announced that the Singapore Government will be imposing sanctions on Russia in response to its unprovoked military action against Ukraine.

"Russia's invasion of Ukraine is a clear and gross violation of the international norms and a completely unacceptable precedent. This is an existential issue for us..."

We cannot accept one country attacking another without justification, arguing that its independence was the result of "historical errors and crazy decisions".

Such a rationale would go against the internationally recognised legitimacy and the territorial integrity of many countries, including Singapore."

Singapore's export controls and financial measures

- On 5 March 2022, details of the sanctions measures to be imposed were announced. They comprise:
 - **Export controls:** A ban on the transfer to Russia of: (a) all items in the Military Goods List and (b) all items in the "Electronics", "Computers", and "Telecommunications and Information Security" categories of the Dual-Use Goods List of the Strategic Goods (Control) Order 2021.
 - **Financial measures:** targeted at designated Russian banks, entities and activities in Russia, and fund-raising activities benefiting the Russian government, through 5 main prohibitions:
 - (1) Dealing Prohibition
 - (2) Delivery of Banned Items Prohibition
 - (3) Raising New Funds Prohibition
 - (4) Financial Assistance for Breakaway Regions Prohibition
 - (5) Digital Payment Token Transaction Prohibition

Singapore's sanctions compliance challenges

- Over-laps and under-gaps of differing regimes
- Overly narrow scope of sanctions clauses
- Shell companies and proxy risks



Bio and contact



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Wilson Ang is a dispute resolution lawyer based in Singapore. He heads the Asia regulatory compliance and investigations practice.

Wilson focuses on strategic governance issues, including conducting internal investigations on business ethics and anti-corruption matters, often involving the US Foreign Corrupt Practices Act, the UK Bribery Act, and the Singapore Prevention of Corruption Act. He advises on risk and crisis management, remediation measures and follow-on disputes. Wilson has extensive experience designing and implementing compliance programs, conducting integrity due diligence reviews and handling complex and sensitive issues involving bribery, fraud, sanctions, money-laundering/terrorist-financing, cyber-security attacks, data breach incidents, competition law and financial services regulatory violations in Asia and beyond. Wilson's practice also involves ESG issues like modern slavery and business human rights due diligence, health and safety matters, environmental regulatory disclosures and corporate governance. He is a certified auditor for ISO37001: Anti-Bribery Management Systems.

Wilson has significant experience advising leading energy, transport and life sciences companies, major financial/banking institutions, as well as multinational corporations and Asian conglomerates.

Wilson qualified as an Advocate and Solicitor in Singapore, was admitted to the Solicitors' Roll of England and Wales and qualified as a Solicitor in Hong Kong. He became a Solicitor-Advocate and was awarded higher rights of audience in England and Wales.

Wilson is recognized by Chambers & Partners, Who's Who Legal and The Legal 500.



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