

**PUBLIC CONSULTATION ON NEW PROCEEDS OF CRIME BILL, 2026, ANTI-MONEY
LAUNDERING AND TERRORIST FINANCING REGULATIONS, NPO REGULATIONS AND ANTI-
MONEY LAUNDERING AND TERRORIST FINANCING DIRECTIVE**

The Proceeds of Crime Bill, 2026 makes new provision for combating money laundering, the financing of terrorism and the financing of the proliferation of weapons of mass destruction, and for the confiscation and recovery of the proceeds of crime. Together with the Anti-money Laundering and Terrorist Financing Regulations (“the AML/CFT Regulations”), the Non-Profit Organisation Regulations (“the NPO Regulations”) and the Anti-money Laundering and Terrorist Financing Directive (“the Directive”), it will, for the first time, establish a comprehensive AML/CFT framework for St Helena. The new Ordinance will replace the Money Laundering Ordinance, 2008, which will be repealed. The Proceeds of Crime Bill, the Regulations and the Directive are designed as a single, integrated package. They are published for consultation with this Note and should be read together.

Key terms and acronyms used in this Note

Term/Acronym	Meaning
AML/CFT	Anti-money laundering and countering the financing of terrorism
Beneficial owner	The individual who ultimately owns or controls a customer or on whose behalf a transaction is concluded
CDD	Customer due diligence: the checks that a business must carry out to identify and verify its customers
Country	This is intended to include a territory
DNFBP	Designated non-financial business and profession
FATF	Financial Action Task Force: the global standard setting body for combating money laundering, terrorist financing and proliferation financing
The 40 Recommendations	The international standards on the combatting of money laundering, terrorist financing and proliferation financing issued by the FATF
Regulatory Authority	The Financial Services Regulatory Authority (FSRA) established under the Financial Services Ordinance, 2008
MLCO/MLRO	Money laundering compliance officer/money laundering reporting officer
NPO	Non-profit organisation

Reporting Unit	A unit of the Royal St Helena Police Service which is responsible for receiving suspicious activity reports (SARs) from service providers
SAR	Suspicious activity report
Service provider	A financial business, a DNFBP or a virtual asset service provider: the businesses to which the AML/CFT Regulations and the Directive apply

Background and context

Strategic Importance

St Helena's Sustainable Economic Development Strategy 2023-2033 says:

"SHG has identified that St Helena's financial services laws and regulations require reform and modernisation in order to encourage competition within the sector and support economic growth. There are substantial gaps in current legislation... Comprehensive reform and updates to existing financial services laws and regulations will be required in the areas of anti-money laundering and combatting the finance of terrorism. SHG aims to develop a long-term plan to substantially increase compliance with international standards by incrementally implementing Financial Action Task Force recommendations over the long term."

These reforms constitute the foundation of the Financial Services and Company Registry Development Programme, which aims to increase government revenue through the establishment of a credible international company registry, create new jobs and training opportunities in the company incorporation and trust industries, and stimulate growth through economic diversification.

International Standards

The Financial Action Task Force (FATF) is the intergovernmental body that sets global standards for combating money laundering, terrorist financing and proliferation financing. Its standards, the 40 Recommendations, are recognised by more than 200 countries and jurisdictions and serve as the benchmark against which every jurisdiction is measured. The standards require every jurisdiction to criminalise money laundering and terrorist financing, provide for the confiscation and recovery of the proceeds of crime, impose preventive obligations on businesses in the financial sector and on certain non-financial businesses and professions, supervise those businesses for compliance with their AML/CFT obligations through effective, proportionate and dissuasive sanctions, protect the non-profit sector from abuse for terrorist financing, and establish a financial intelligence function.

The obligations imposed on the financial sector and on non-financial sector businesses include implementing customer due diligence and record-keeping procedures and reporting suspicious transactions and activities.

The United Kingdom is a founding member of the FATF, and the UK's Overseas Territories are expected to maintain frameworks that meet these standards. Although the Money Laundering Ordinance, 2008 enables St Helena to partially comply with the 40 Recommendations, it falls well short, particularly in

scope, the obligations it imposes, and supervision and enforcement. This is not surprising, as the Ordinance was enacted in 2008 and therefore predates the FATF Recommendations adopted in 2012, which form the basis of the current 40 Recommendations. These have since been updated through a series of substantive revisions, the most recent in June 2026.

The Financial Services Regulatory Authority (the FSRA) and the Money Laundering Reporting Authority issued Directives in 2025, but these lack legislative force and cannot address deficiencies in the Ordinance itself. The new Bill therefore revokes the 2025 Directives and proposes replacing them with the AML/CFT Regulations and the Directive that form part of this consultation package. St Helena has not yet been assessed against the FATF Recommendations and is not a member of the FATF or of any FATF regional body. However, as the FATF Recommendations are intended to be implemented by all countries and all are expected to be assessed for compliance with those Recommendations, the Government has decided to update the St Helena's AML/CFT framework in advance of any future assessment. This will allow the revised framework to be fully implemented and operational before any assessment.

The Importance of Compliance

The consequences for a country that fails to meet the FATF Standards can range from inconvenient to severe and disruptive.

At a formal level, the FATF adopts a graduated approach. While countries assessed as having relatively minor AML/CFT deficiencies are given time to take corrective action, those with more significant deficiencies risk being placed on either a "Grey List" of countries under increased monitoring or, in the most extreme cases, where a country fails to address systemic AML/CFT weaknesses, a "Black List" of high-risk countries.

A Grey List country is considered by the global community to present an elevated systemic risk, and this typically prompts financial institutions to apply enhanced due diligence when considering transactions with institutions or persons in the country.

If a country is added to the Black List, a formal mandate for all FATF Members to apply Enhanced Due Diligence is triggered. This is likely to be highly disruptive to business and may include, for example, the loss of correspondent banking relationships.

While no Overseas Territories have ever been on the Black List under the current listing regime, some have been Grey Listed in the past (e.g. the Cayman Islands). The British Virgin Islands was added to the Grey List in June 2025 and remains Grey Listed. As a result, the BVI is also on the EU's High-Risk Third Countries AML List.

The World Bank and the IMF monitor the impact of Grey Listing and have noted reductions in capital inflows, which can be severe. As part of their routine risk management processes, banks and other financial institutions assess the effectiveness of countries' AML/CFT frameworks and measures. If they consider a country to present a higher risk, transactions are likely to be slowed by increased due diligence, services are likely to be restricted, and, if financial institutions consider that the increased compliance costs of accepting business from a country outweigh the benefits, some may refuse to deal with the country. Given St Helena's size and remoteness, the restriction or loss of relationships could

have serious consequences for businesses and households, and the impact would likely be felt by individuals as well as institutions. St Helena residents and businesses may face difficulties opening bank accounts overseas and in sending and receiving remittances.

There is a further consequence. Criminal activity cannot be kept offshore. Financial crime migrates towards the jurisdiction with the weakest defences, and small, low-profile jurisdictions are particularly exposed.

When a jurisdiction is assessed and found to have strategic deficiencies, the FATF's response is public: the jurisdiction is placed under "increased monitoring" — the so-called "grey list" — and must commit, at political level, to a time-bound action plan under international scrutiny, with knock-on listings by other bodies, including the European Union. Experience shows that once a country is placed on the Grey List, it will face an expensive and lengthy process to be removed. It took the Cayman Islands nearly three years of sustained remediation across government, regulators and the private sector to be removed from the Grey List.

Although St Helena does not currently face a significant risk of being Grey Listed, the Government considers that the jurisdiction should begin demonstrating compliance now, so it is ready when the country is assessed.

The Scope of this Consultation

Given that the FATF Standards are fairly prescriptive and that all countries are obliged to implement them, St Helena has few options regarding the substance of what must be covered. This consultation therefore does not present policy choices. Rather, its purpose is to explain the framework, identify the limited areas where genuine policy options exist and the rationale for the decisions taken, and invite views on the legislative package, particularly practical matters such as timing, transition and guidance.

The Note is addressed primarily to the businesses, professions and organisations that will be subject to regulation and supervision, namely financial businesses, designated non-financial businesses and professions (DNFBPs) and non-profit organisations (NPOs).

The new legislative framework

The legislative package comprises four instruments which are summarised in the table below.

Instrument	What it does	Persons principally affected
The Proceeds of Crime Bill	The Bill creates the money laundering offences; provides for confiscation, civil recovery and cash forfeiture; provides the authorities with certain investigation powers; establishes the Reporting Unit and the supervisory framework; provides for directions to be given to service providers and for the implementation in St Helena of UN terrorism and proliferation sanctions; and provides for the	The money laundering offences, confiscation and civil recovery affect everyone in St Helena; Service providers and NPOs who are subject to supervision

Instrument	What it does	Persons principally affected
	making of Regulations and the issuance by the FSRA of Directives.	
The AML/CFT Regulations	The AML/CFT Regulations provide primarily for the prevention and detection of money laundering and terrorist financing. The requirements cover risk assessment, governance, customer due diligence, record-keeping and training obligations. They also provide for the registration of DNFBPs and administrative penalties and fees.	Financial businesses, DNFBPs and virtual asset service providers
The NPO Regulations	The NPO Regulations establish a risk-based, tiered regime for NPOs, covering registration, record-keeping and annual certification for all, with additional obligations only for organisations in higher-risk tiers.	NPOs
The Directive	The Directive will be issued by the Financial Services Regulatory Authority under section 189 of the Bill. The Directive is intended to operationalise the regime by specifying how service providers comply with their obligations and sets out detailed requirements for service providers' policies, controls, officers, training and customer due diligence measures.	Service providers and NPOs

An NPO Directive is intended in due course. This will be issued after the FSRA has undertaken a risk assessment of the NPO sector.

The Proceeds of Crime Bill

The Proceeds of Crime Bill draws heavily on the equivalent UK legislation, which has been in force for some 25 years. The UK has undergone a number of FATF assessments, and the legislation has been assessed as substantially compliant with the FATF Standards. The Caribbean Overseas Territories have also based their legislation on the UK model, and, for the most part, their AML/CFT legal and regulatory frameworks have achieved high compliance ratings. Following the UK and Caribbean models will enable St Helena to benefit from an established base of settled case law, and the concepts and principles will be familiar to St Helena lawyers and the Supreme Court.

Care has been taken to ensure that the Bill, as well as the rest of the legislative package, is no broader than the FATF Standards require.

The Proceeds of Crime Bill comprises nine Parts and six Schedules. The key features of the Bill are as follows:

The Money Laundering Offences and Disclosure

Part 2 of the Bill creates the principal money laundering offences. These are: (a) concealing, disguising, converting, transferring or removing criminal property; (b) entering into arrangements that facilitate the acquisition, retention, use or control of criminal property by or on behalf of another person; and (c) acquiring, using or possessing criminal property. The money laundering and other offences follow the FATF requirement that money laundering be criminalised on the widest international model.

Part 2 also establishes the framework for the disclosure of suspicions relating to money laundering and terrorist financing by requiring service providers and their staff to submit suspicious activity reports (SARs) to the Reporting Unit. Part 2 creates offences covering (a) the failure to disclose knowledge or suspicion of money laundering; (b) prejudicing an investigation; and (c) tipping off.

A service provider may continue a transaction seven working days after submitting an SAR, provided that the Reporting Unit has not refused consent. If consent is refused, an extended period applies. This is intended to enable legitimate businesses to continue their operations while a suspicion is being resolved and to prevent commercial paralysis through inaction. Service providers and their staff are also protected against third parties, for example, in respect of a breach of a duty of confidentiality.

Confiscation (Part 3) and Civil Recovery (Part 4)

The purpose of both confiscation and civil recovery is to remove criminal gain, with the objective of ensuring that crime doesn't pay.

There are important differences between the two Parts:

Part 3 – Confiscation	Part 4 – Civil Recovery
Conviction-based Follows a criminal conviction	Non-conviction-based Civil proceedings against the property itself (in rem)
An order against the person to pay a sum of money equal to the value of the benefit	Civil standard of proof, and applies whether or not anyone has been convicted or even prosecuted
Enforced against the defendant's realisable property	A summary route for cash forfeiture, in the Magistrates' Court

The purpose of confiscation is to enable the Court to confiscate from a defendant who has been convicted of an offence the financial benefit the defendant has obtained from the criminal conduct. If the defendant has been convicted of drug trafficking or money laundering, or has a recent pattern of offending from which the defendant has benefited (broadly, at least one other such conviction in the same proceedings or within the previous six years, with total benefit of £2,500 or more), the onus

shifts to the defendant to establish that the defendant's property was obtained through legitimate sources. The Court is given the power to restrain a defendant from selling or transferring assets until the confiscation hearings have been concluded.

The purpose of civil recovery is to enable the recovery of property which is, or represents, property obtained through unlawful conduct, or property that has been used in, or in connection with, unlawful conduct, or is intended to be used in, or in connection with, unlawful conduct. The powers are exercisable whether any person has been convicted or even prosecuted for an offence.

Both confiscation and civil recovery are directed at property derived from crime, not at property which has been legitimately obtained, and both are court-supervised throughout, with substantial safeguards. For example, protection is given to a person who acquires property in good faith, for value and without notice.

As for the money laundering offences, the legislation closely follows the UK Proceeds of Crime Act. The UK provisions have been challenged many times on the basis that they impinge on the European Convention on Human Rights (ECHR). The UK legislation has withstood all challenges made against it, and as the human rights established in St Helena's Constitution are equivalent to those in the ECHR, the Government is confident that the Bill is consistent with the Constitution.

Investigation Powers (Part 5)

Part 5 enables the Court to make a number of Court-supervised orders intended to assist law enforcement in confiscation, money laundering and civil recovery investigations. These orders are: (a) production orders; (b) search and seizure warrants; (c) customer information orders; and (d) account monitoring orders. Each order is subject to judicial control and safeguards for privileged material.

The Reporting Unit and Supervision (Part 6)

Part 6 establishes a unit within the Royal St Helena Police Service as a Reporting Unit. This unit receives and analyses SARs and, where appropriate, provides them to the Police for investigation.

Part 6 also establishes an Oversight Committee, which is responsible for keeping the exercise of the functions of the Reporting Unit under review and reporting to the Governor at least annually. The Oversight Committee is intended to have a general oversight function and, therefore, will not have access to individual SARs or specific intelligence.

Part 6 also sets out the supervisory framework for service providers and NPOs through the Regulations and Directives. A DNFBP is prohibited from carrying on business as a DNFBP unless registered with the DNFBP Supervisor. The Financial Services Regulatory Authority supervises regulated financial businesses under its existing powers and is given corresponding powers for DNFBPs. Placing all supervision in a single, existing authority, rather than creating new bodies, uses existing expertise and resources and gives every supervised business a single point of contact. Schedule 4 sets out the powers necessary to enable the supervision of DNFBPs.

NPOs will be required to register with the NPO Supervisor, also the FSRA. NPOs are discussed in more detail in the part of this Note covering the NPO Regulations.

Directions (Part 7) and Sanctions (Part 8)

Part 7 empowers the Regulatory Authority to issue directions to service providers where required (for example, in relation to business with high-risk jurisdictions), subject to procedural safeguards and rights of appeal.

The principal objective of this Part is to enable St Helena to respond to periodic calls from the FATF for all countries to apply counter-measures against jurisdictions that pose a higher risk of money laundering, terrorist financing or proliferation financing. Proliferation financing is the financing of weapons of mass destruction.

Part 8 covers sanctions. Its purpose is not to create a sanctions regime, as the UK sanctions regime already applies to St Helena, as to all other Overseas Territories. Rather, its purpose is to operationalise the UK sanctions regime in St Helena.

The sanctions, which may be issued through the United Nations Security Council or unilaterally by the UK, are directed against individuals or groups involved in terrorist financing or proliferation financing, or, rarely, money laundering. This Part sets out a process for identifying designated persons' assets, submitting listing proposals, and reporting frozen assets and attempted transactions.

Miscellaneous Provisions (Part 9)

Part 9 covers a number of miscellaneous matters, including the establishment of a National Forfeiture Fund into which the proceeds of confiscation and civil recovery, forfeited cash and funds received from overseas governments (for example under asset-sharing arrangements, or in recognition of assistance given by St Helena) are paid.

The funds will be ring-fenced and used for specific purposes related to law enforcement and the investigation of financial crime, including training and public awareness, the treatment and rehabilitation of drug addiction, the rehabilitation of offenders and support for the victims of financial crime.

The AML/CFT Regulations

The AML/CFT Regulations are primarily focused on the prevention and detection of financial crime. These Regulations will have the most impact on service providers.

For the most part, the Regulations apply to all “service providers”, i.e. financial businesses, DNFBPs and virtual asset service providers.

“Financial business” is defined by activity and follows the FATF definition.

DNFBPs comprise the following five categories (again following the FATF definitions):

- real estate agents (when involved in transactions concerning the buying and selling of real estate)
- lawyers (independent legal professionals) (see below)

- accountants (see below)
- trust or company service providers
- high value dealers

Lawyers are not subject to the AML/CFT Regulations across all their work. They are covered for what is, in effect, the transactional side of their work, i.e. when preparing for or carrying out transactions for a customer in relation to (a) the buying and selling of real estate or business entities; (b) the management of client money, securities or other assets; (c) the opening or management of bank, savings or securities accounts; (d) the organisation of contributions necessary for the creation, operation or management of companies; (e) the creation, operation or management of trusts, companies or other legal persons or arrangements; or (f) the buying and selling of business entities. Lawyers are not covered when giving litigation advice or acting for clients in Court.

Similarly, accountants are intended to be subject to the Regulations only when carrying out transactional work.

Every service provider must assess the risks of its own business, with the board responsible for the assessment and for the policies that respond to it; maintain policies, systems and controls proportionate to those risks; appoint a money laundering compliance officer and a money laundering reporting officer; keep specified records; train its staff; and apply customer due diligence measures. The CDD measures involve identifying and verifying customers and beneficial owners and monitoring relationships, with enhanced measures applied where risk is higher. In some cases, simplified CDD measures can be applied where the risk is demonstrably lower.

The Regulations also establish the DNFBP registration regime. The Regulatory Authority is the sole supervisory authority for DNFBPs and must maintain a register. A person must not carry on business as a DNFBP unless registered. Doing so is an offence under section 159 of the Bill. Registration is deliberately an administrative gateway, not a licensing hurdle. Administrative penalties for DNFBPs are capped at £50,000 per violation (up to £25,000 for a director or senior manager involved), with notice and representation rights. Registration and annual fees are set out in Schedule 3 of the Regulations.

The Regulations also cover virtual asset service providers. A "virtual asset" is a digital representation of value that can be traded or transferred digitally and used for payment or investment purposes. Cryptocurrencies are a well-known example, but a digital form of ordinary money or securities is not a virtual asset. A virtual asset service provider is a person who, by way of business carried on in or from St Helena, exchanges virtual assets for ordinary currency or other virtual assets, transfers virtual assets, holds or safeguards them for others, or provides financial services relating to their issue or sale, in each case for or on behalf of another person. The Government is not aware of any person currently carrying on such a business in or from St Helena. The Regulations nonetheless make full provision for them, first because the FATF standards require every jurisdiction to deal expressly with virtual assets and virtual asset providers, whether or not the sector is currently active, and secondly the framework must anticipate businesses that may emerge in the future.

The NPO Regulations

The FATF standards require jurisdictions to protect their non-profit sectors from abuse for terrorist financing, while expressly requiring that measures be focused and proportionate and not disrupt legitimate charitable activity. The NPO Regulations follow that closely.

The definition of “non-profit organisation” or “NPO” in section 2 of the Bill provides that it is:

“.... an organisation that primarily engages in raising or disbursing funds for charitable, religious, cultural, educational, social or fraternal purposes, or for other similar purposes for the benefit of the public or a section of the public”.

It is important to recognise that not every club, society, church or community association is a "non-profit organisation" for the purposes of the NPO Regulations. The Bill deliberately adopts the functional definition used in the FATF standards. This focuses on the primary objective, namely the raising or disbursing of funds for charitable and similar purposes. The critical question is what is the organisation's primary purpose? Does the organisation primarily raise or disburse funds for one or more of the listed purposes, or does it primarily undertake one or more of the listed purposes, even though it might raise or disburse funds to enable it to carry out those purposes? In the first case, it is an NPO; in the second, it is most likely not.

Many jurisdictions define NPOs more broadly by their objects alone. The narrower functional definition is deliberate, as the international standards are directed at the flows of funds that can be abused for terrorist financing, and the NPO regime is therefore intended to capture the organisations through which such funds are raised and disbursed. An organisation that pursues similar purposes but does not primarily raise or disburse funds, or that exists only for the benefit of its own members rather than the public or a section of it, will generally fall outside the definition.

Having defined a more limited set of NPOs than many other jurisdictions, the NPO Regulations adopt a tiered approach based on assessed risk. Every NPO operating in St Helena must register with the NPO Supervisor. Beyond that, the obligations on the NPO will depend on its tier.

Tier 1 NPOs must comply with basic record-keeping and annual certification obligations. Tier 2 and Tier 3 NPOs must submit an annual return to the NPO Supervisor containing financial information on funds raised and disbursed. Tier 3 NPOs must prepare and submit annual financial statements to the NPO Supervisor and adopt and implement governance, financial control and other policies.

NPOs that raise and disburse a very low value of funds each year (proposed as £5,000) are exempt from the Tier 1 obligations, provided that they are not administered from outside St Helena and do not disburse any funds outside St Helena. Exempt NPOs are still required to register.

Transitional provisions will give existing organisations a 6-month period within which they will need to register. For the great majority of St Helena's non-profit organisations, the practical effect will be registration and a simple annual certification, although it is anticipated that many charitable, religious and community organisations will fall outside the definition of NPO completely.

The AML/CFT Directive

The Directive applies to service providers to the extent specified. It sets out the detailed operational part of the regime. While the AML/CFT Regulations state what must be achieved, the Directive sets out how it must or can be done. It also sets out the required content of policies, systems and controls; obligations on outsourcing; the roles of the compliance and reporting officers; training and vetting; and the detailed customer due diligence measures. Issuing this material as a Directive of the Regulatory Authority, rather than fixing it in legislation, allows the very detailed provisions to be adapted, after consultation, as experience develops and as the standards evolve, without amending primary legislation.

What the framework will mean in practice

This section summarises the practical effect of the framework for each group. It is a summary only: the instruments themselves are the authoritative statement, and guidance from the Regulatory Authority will follow (see the next section).

Financial businesses

Licensed financial businesses are already supervised by the Regulatory Authority under the Financial Services Ordinance, 2008, and will already be complying with many of the obligations under the existing Directive. The principal changes are the more comprehensive risk-assessment and governance obligations, the updated customer due diligence regime, the rules on transfers of funds and virtual assets, and reporting to the new Reporting Unit.

Existing compliance arrangements will need to be reviewed against the AML/CFT Regulations and the new Directive, but businesses should find much of the ground familiar.

DNFBPs

For most DNFBPs, this framework is new, and the Government recognises this. Many DNFBPs, including many small ones, are being required to take on obligations they have not had before. In summary, if you carry on business as a real estate agent (in buying-and-selling transactions), a high value dealer, an independent legal professional, an accountant, or a trust or company service provider, you will need to:

- (a) register with the Regulatory Authority before the end of the 6-month transition period, pay the registration and annual fees, and keep registered details up to date;
- (b) carry out and record a risk assessment of your own business, an honest, written appraisal of how your services could be misused, proportionate to your size;
- (c) put in place written policies and controls proportionate to those risks, and appoint a compliance officer and a reporting officer (a sole trader is their own compliance and reporting officer);
- (d) apply customer due diligence measures by identifying and verifying your customers, and beneficial owners where your customer is a company, trust or similar arrangement, before establishing a business relationship or carrying out an occasional transaction above the prescribed threshold, with enhanced checks in higher-risk situations; and

- (e) keep the records specified in the AML/CFT Regulations for the required period, train yourself and any relevant staff, and report any suspicions of money laundering or terrorist financing to the Reporting Unit.

None of this requires a compliance department, but it does require a proportionate and documented approach. The Directive and Guidance that will be provided by the Regulatory Authority in due course are written with this in mind. The framework does not permit any DNFBP to remain outside it. Carrying on a DNFBP business without registration will be an offence, and the supervisory and penalty regime will apply.

Non-profit organisations

As discussed, every NPO operating in St Helena will need to register with the NPO Supervisor during the transitional period. This is discussed in more detail in the summary of the NPO Regulations above.

The offences and penalties

The money laundering offences in Part 2 of the Bill apply to every person, not only to businesses as entities: principals, partners, directors, managers and staff can each commit them personally. Any person who deals with property they know or suspect to be the proceeds of crime, or who tips off a person under investigation, may commit an offence. Under section 191 of the Bill, where a corporate body commits an offence with the consent or connivance of a director or senior manager, that individual is personally liable alongside the body. The disclosure regime equally protects anyone who reports a suspicion in good faith. The principal penalties are:

Conduct	Maximum penalty
Principal money laundering offences (concealing, arrangements, acquisition and use)	A fine of £250,000 or imprisonment for 15 years, or both
Failure to disclose knowledge or suspicion of money laundering	A fine of £100,000 or imprisonment for 5 years, or both
Carrying on business as a DNFBP without registration	A fine of £100,000 or imprisonment for 5 years, or both
Administrative penalties for breaches of the AML/CFT Regulations or the Directive by a DNFBP	Up to £50,000 per violation (up to £25,000 for a director or senior manager involved)
Administrative penalties under the NPO Regulations	As specified in the NPO Regulations, with notice and appeal rights

The FATF standards require sanctions that are effective, proportionate and dissuasive, and the courts and supervisors have discretion to set penalties up to the maximum stated for an offence or contravention. However, in an assessment, the assessors will want to see that the maximum penalties are sufficient to deter serious financial crime and breaches of the preventative measures.

Implementation

Commencement: It is intended that the Bill will be enacted and brought into force by the end of March 2027. The Regulations, the NPO Regulations and the Directive will all be set to come into force on the same date.

Transition: The transitional provisions of the Bill, the Regulations and the NPO Regulations set out defined periods for existing businesses and organisations to register and bring their arrangements into compliance, rather than requiring compliance on day one. The lengths of the transitional periods are among the matters for which views are specifically invited.

Guidance: The Regulatory Authority will issue guidance directed to the practical questions businesses will face, including registration, risk assessment, customer due diligence and reporting.

Supervisory approach: In the initial period, supervision will first focus on assisting businesses to become compliant, on registration, education and engagement, with enforcement reserved for serious, deliberate or persistent failures. Proportionate supervision is itself a requirement of the FATF Standards.

Questions for consultation

The Government welcomes comments on any aspect of the draft legislation, Regulations and Directive. In particular, views are invited on the following questions.

Questions for consultation

The Government welcomes comments on the draft legislative package and, in particular, invites responses to the following questions:

1. Proceeds of Crime Bill

Do you have any specific comments on the draft Proceeds of Crime Bill, including any provisions that you consider unclear or that may give rise to particular practical issues in St Helena?

2. AML/CFT Regulations

Do you have any specific comments on the draft Anti-money Laundering and Terrorist Financing Regulations, including their application to businesses and professions operating in St Helena?

3. NPO Regulations

Do you have any specific comments on the draft Non-Profit Organisation Regulations, including the scope of the proposed regime and its application to non-profit organisations operating in St Helena?

4. AML/CFT Directive

Do you have any specific comments on the draft Anti-money Laundering and Terrorist Financing Directive, including any of the detailed requirements that will apply to service providers?

Respondents are encouraged, wherever possible, to identify the particular provision to which their comments relate and to explain the reason for any amendment or clarification they propose.

Responses are not limited to these questions: comments on any aspect of the instruments, of this Note, or of matters this Note has not addressed are all welcome, in whatever form and at whatever length you wish.

How to respond

Responses can be submitted electronically to Director of Economic Development, Damian Burns, on damian.burns@sainthelena.gov.sh.

Responses can be submitted by post to:

The Economic Development Portfolio, The Castle, Jamestown, St Helena, STHL 1ZZ

When submitting your response, please state your full name and contact details and the capacity in which you are responding (for example, as a business, a professional, a non-profit organisation, a representative body or an individual).

Next steps

The consultation closes on Friday 27 November at 16.00. Responses received after that date may not be able to be taken into account.

Public and Business engagement sessions will be announced via SHG press releases, in the local media, and online.

Once the consultation has closed, the responses will be scrutinised by the Government, FSRA and the Attorney General's Chambers, and any necessary amendments will be made to the Bill and the other instruments. The Bill will then proceed to the Executive Council and Legislative Council for enactment.