

INTERNATIONAL TRUSTS (AMENDMENT) BILL, 2021

(Bill No. 7 of 2021)

OBJECTS AND REASONS

The International Trusts Act, 1994 (Cap 276) (hereinafter referred to as International Trusts Act) was enacted to make provisions for International Trusts in Seychelles.

The Financial Action Task Force (FATF), an inter-governmental body established in 1989 by the Ministers of the member jurisdictions has set out the standards to promote effective implementation of the measures for combating money laundering activities. Recommendation Numbers 24 and 25 of the said recommendations relates to transparency and beneficial ownership of legal persons and legal arrangements. The Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG), a regional body has been, *inter alia*, tasked by the FATF to oversee the implementation of FATF Recommendations in the Region. The said ESAAMLG evaluated the steps taken for implementation of FATF recommendations and submitted its Mutual Evaluation Report (MER) in September, 2018. In the said MER, the ESAAMLG, *inter alia*, observed that criterion No's. 25.1 and 25.4 were partly met with the recommendations of the FATF. The Beneficial Ownership Act, 2020 was enacted to meet with some other criterion recommended under recommendations 24 and 25 of the FATF.

In order to meet with the shortcomings identified by the ESAAMLG, it is proposed to amend sections 29A and insertion of new section 33A in the International Trusts Act (Cap.276). The salient features of the proposed Bill are as follows:

- (A) **Amendment of section 29A:** The proposed Bill provides for substituting section 29A(1)(a), so as to seek more information from the Trusts.

- (B) Insertion of new section 33A:** It is proposed to insert a new section 33A in the International Trusts Act to provide for disclosure of the status of the trustee of a trust and punishment for failure to disclose such information.

Dated this 2nd day of March, 2021.

**FRANK D.R. ALLY
ATTORNEY-GENERAL**

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A BILL

FOR

AN ACT to amend the International Trusts Act (Cap. 276).

ENACTED by the President and the National Assembly.

Short title

1. This Act may be cited as the International Trusts (Amendment) Act, 2021.

Amendments to Cap. 276

2. The International Trusts Act (Cap.276) (hereinafter referred to as the principal Act) is amended as follows —

(A) by repealing section 29A(1) (a) of the principal Act and substituting therefor the following —

“(a) full name, address, nationality or place of incorporation of each —

(i) trustee;

(ii) beneficiary or class of beneficiaries;

(iii) settlor;

(iv) protector, if any; and

(v) regulated agent and service provider of the trust including, but not limited to, investment advisors, investment managers, accountants or tax advisors of the trust;”;

(B) the principal Act is amended, by inserting after section 33, the following section —

Disclosure by trustees

33A.(1) The trustee of a trust shall disclose its status as a trustee to a financial institution or a designated non-financial business or profession when forming a business relationship or carrying out an occasional transaction in an amount equal to or above the amount prescribed under the Third Schedule to the Anti-Money Laundering and Countering the Financing of Terrorism Act, 2020 (Act 5 of 2020).

(2) For the purposes of subsection (1), the terms “financial institution” and “designated non-financial business or profession” shall have the same meanings assigned to them in the Anti-Money Laundering and Countering the Financing of Terrorism Act, 2020 (Act 5 of 2020).

(3) A trustee who contravenes the provisions of subsection (1) shall be liable to a penalty not exceeding USD 5000.”.

3. Provisions of section 29A(1)(a), as amended by this Act shall be complied with by every trustee within 3 months from the date of commencement of this Act.