

RESTRICTED COUNTRIES AND COUNTRIES SUBJECT TO ENHANCED DUE DILIGENCE (AS AT 2nd FEBRUARY 2024)

The Tobique Gaming Commission (“TGC”) is empowered under the Regulations concerning anti-money laundering and counter terrorism financing pursuant to Section 22 of the Tobique Gaming Act 2023 (the “Regulations”).

Pursuant to Section 5 (2) of the Regulations:

TGC will apply a risk-based approach to ensure that measures to prevent or mitigate money laundering and terrorist financing are commensurate with the risks identified within its area of control.

As part of this risk based approach, TGC has set out those jurisdictions below, which at the time of writing it deems to have a high level of risk with regards to money laundering and terrorism financing (MLTF). This assessment is based on both those jurisdictions’ legal MLTF framework and contributory MLTF risks linked their standing with regards to corruption, international sanctions, conflict zones and the funding of terrorism. Therefore, all remote Tobique gaming licensees will be required to take this assessment into consideration when it comes to offering and accepting bets and wagers from persons in those jurisdictions. This will fall into 2 categories which are either an outright ban (“Restricted Jurisdictions”); or a requirement to carry out enhanced due diligence on players at the point of first deposit.

In addition, and in order to safeguard the respectable reputation of the sovereign territory of Tobique and to ensure the continuity of operations supporting it’s day to day functions, the TGC also deems certain jurisdictions to be out of bounds and treated as Restricted Jurisdictions.

With regards to Restricted Jurisdictions, licensees must ensure that no gaming or betting services are advertised and/or made available to any persons (including legal entities) located in said jurisdictions. In addition, licensees are required to actively monitor against and block access to persons from such locations attempting to register and play on sites and apps operated by Tobique licensees.

This assessment and associated list will be updated regularly and as such Tobique licensees will be required to make corresponding changes to their enhanced due diligence or blocking measures.

TGC Assessment and Methodology

A. SOURCES:

1. FATF High-Risk Jurisdictions (aka the “Black List”)

These have significant strategic deficiencies in their regimes to counter money laundering, terrorist financing, and financing of proliferation. As at October 2023 these are:

North Korea, Iran, Myanmar

2. FATF Jurisdictions Under Increased Monitoring (aka “Grey List”)

These have identified strategic deficiencies in their counter money laundering, terrorist financing, and financing of proliferation regimes, where they are actively working with the FATF to address these. In the interim FATF has placed them under increased monitoring until these inadequacies are properly addressed to FATF’s satisfaction:

Albania, Barbados, Bulgaria, Burkina Faso, Cameroon, Cayman Islands, Democratic Republic of Congo, Croatia, Gibraltar, Haiti, Jamaica, Jordan, Mali, Mozambique, Nigeria, Panama, Philippines, Senegal, South Africa, South Sudan, Syria, Tanzania, Turkey, Uganda, United Arab Emirates, Vietnam, Yemen

3. High Corruption Scoring Jurisdictions

In some countries there is an increasing impunity for corruption due to failure to protect against it or even participation by government in this practice. Thereby, encouraging corruption by eliminating consequences for criminals. Corrupt act such as bribery and abuse of power infiltrate many courts and other justice institutions. Where corruption is the normal practice, vulnerable people have restricted access to justice while the rich and the powerful capture whole justice systems, at the expense of the common good. Countries with a high ranking on the Corruption Perception Index CPI (see <https://www.transparency.org/en/cpi/2023/index>), where individual they are more likely to resort to bribery when conducting business abroad or may use money obtained by bribery and other illegal acts stemming from abuse of power to gamble on line. Those with a CPI score of 20 or under are deemed the worst offenders and therefore have a high MLTF risk:

Afghanistan, Burundi, Chad, Comoros, Democratic Republic of the Congo, Equatorial Guinea, Haiti, Libya, Myanmar, Nicaragua, North Korea, Somalia, South Sudan, Syria, Tajikistan, Turkmenistan, Yemen, Venezuela

4. International Sanctions

Sanctions lists play a critical role in global compliance efforts, aiming to promote international security, deter illicit activities, and protect national interests. There are many such lists, including those in the UK, UN and EU which include both individuals and entities subject to amongst other things, restrictions on trading with them.

Whilst its possible to screen against sanctioned individuals partaking in trading activities, there are some countries which have prolific amounts of sanctioned individuals and entities (including financial institutions). Therefore, given the reputational impact of conducting business with sanctioned persons from such countries and the difficulty in sometimes identifying these individuals (due to use of false entities and proxy accounts), a strict approach is taken to list the following countries as a high MLTF risk in this regard:

Afghanistan, Belarus, Central African Republic, Iran, Iraq, Libya, Myanmar, North Korea, Russia, Somalia, South Sudan, Syria, Venezuela, Yemen, Zimbabwe

5. Countries Considered to be Funding Terrorism

According to the US state department (<https://www.state.gov/state-sponsors-of-terrorism/>), the following countries are considered to be state sponsors of terrorism and therefore high risk of MLTF:

Cuba, Iran, North Korea, Syria

6. Conflict Zones

These are high-risk jurisdictions/regions that are unstable, at war, where armed hostility is present or where terrorist organisations are active. They may also have provinces/regions with known links to terrorist organisations or share a border with territories controlled by terrorist organisations. They can be countries where funds and other assets are generated (e.g., originator of the funds transfer) for terrorism acts or terrorist organisations irrespective of where those acts take place or organisations reside. Finally they may have regions that are transit points or have had money flows to/from known foreign-terrorist fighters, and therefore high risk of MLTF:

Afghanistan, Central African Republic, Iran, Iraq, Lebanon, Libya, Mali, Myanmar, Nigeria, North Korea, Pakistan, Palestinian Territory, Somalia, South Sudan, Sudan, Syria, Ukraine, Yemen

B. RESULTS OF THE TOBIQUE RISK ASSESSMENT

Taking into account all of the above lists and weighting these in terms of likelihood of the risk materialising, the severity impact of the risk itself on MLTF and otherwise taking into consideration the reputation and operations of TGC:

Restricted Jurisdictions

Afghanistan, Canadian Province of New Brunswick, China, Cuba, Central African Republic, Democratic Republic of Congo, Haiti, Iran, Iraq, Israel, Libya, Myanmar, North Korea, Russia, Somalia, South Sudan, Syria, UK, USA, Yemen, Venezuela

Enhanced Due Diligence Jurisdictions

Albania, Barbados, Bulgaria, Burkina Faso, Burundi, Chad, Comoros, Cameroon, Cayman Islands, Croatia, Equatorial Guinea, Gibraltar, Jamaica, Jordan, Lebanon, Mali, Mozambique, Nicaragua, Nigeria, Pakistan, Palestinian Territory, Panama, Philippines, Senegal, South Africa, Tanzania, Tajikistan, Turkey, Turkmenistan, Uganda, United Arab Emirates, Ukraine, Vietnam, Zimbabwe

PLEASE NOTE THAT THE TGC RESERVE THE RIGHT TO AMEND THIS LIST AND INCLUDE FURTHER JURISDICTIONS TO BE RESTRICTED AT THEIR DISCRETION

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