

Canadian sanctions amended in relation to Nicaragua Ukraine Venezuela and Yemen

June 28, 2019

In coordination with the United States and the United Nations, and in light of recent developments in Nicaragua, Venezuela, Yemen and Ukraine, Canada recently amended its sanctions related to these countries.

Nicaragua

Canada has closely monitored the situation in Nicaragua since April 2018, when the Nicaraguan government began a systematic campaign to suppress anti-government protests. In spite of the recent release of many political prisoners by the Nicaraguan government, Canada is not satisfied that appropriate steps to restore democratic rights have been taken. Responding to “gross and systematic human rights violations”, Canada imposed sanctions against key members of the Government of Nicaragua under the *Special Economic Measures Act*.

On June 21, 2019, the *Regulations Amending the Special Economic Measures (Nicaragua) Regulations* came into force to impose a dealings prohibition and an effective asset freeze on listed persons. Currently, there are nine individuals on the list, and any person in Canada or Canadians outside of Canada are prohibited, with some exceptions, from dealing with these individuals, including entering into any transactions with them, or providing them with any financial support. The individuals listed in the Schedule to the Regulations are also inadmissible to Canada.

A separate Order was issued to allow for permits and authorizations to be issued by the Minister of Foreign Affairs in respect of carrying out a specific activity or transaction that would be otherwise restricted or prohibited under the sanctions Regulations.

At the same time, the United States government also imposed sanctions against only four high-ranking Nicaraguan officials.

Ukraine

Canada and Ukraine have enjoyed bilateral relations for more than 20 years and signed a free trade agreement in August 2017. However, given the occupation of the Crimean region of Ukraine by Russia, and the involvement of Ukrainian individuals and entities related to Russia’s illegal annexation and ongoing occupation of parts of Ukraine, the Canadian government enacted targeted sanctions in response.

On March 15, 2019, targeted Canadian sanctions against individuals and entities in Ukraine believed to be linked with Russia’s actions in Ukraine were amended to coordinate with the United States and the European Union. At that time, Canada imposed sanctions on 89 additional individuals and one additional entity. This brings the total sanctioned individuals to 196 and sanctioned entities to 39. Most recent amendments were enacted on June 25, 2019, to delete and list the correct name of one individual on the list. No additional names were added with this recent

amendment.

Venezuela

Many countries and the United Nations are condemning the actions of the Maduro regime, and more than 50 countries, including Canada, have recognized Juan Guaidó as Interim President of Venezuela.

Canada first enacted economic measures against Venezuela in September 2017 in coordination with the United States, listing 40 individuals linked to the Maduro regime. Further sanctions were enacted by Canada in November 2017 under the *Justice for Victims of Corrupt Foreign Officials Act*, targeting 19 individuals responsible for, or complicit in, gross violations of internationally recognized human rights, who have also committed acts of significant corruption. Later amendments in May 2018 and April 2019 added more Venezuelan individuals to the list of Canadian sanctions.

The most recent June 25, 2019 amendment has removed one individual from the list of economic sanctions, effective immediately. Manuel Riccardo Christopher Figuera was added to the list in April 2019, but has since broken away from the Maduro regime, allowing his name to be removed from the sanctions list. There are 96 individuals still listed on Canada's *Special Economic Measures (Venezuela) Regulations*.

Yemen

Amendments to Canadian sanctions against Yemen were recently enacted to give effect to United Nations Security Council Resolution 2216 into Canadian domestic legislation. The Regulations impose a travel ban and asset freeze on individuals and entities designated by the 2140 Committee for engaging in or providing support for acts that threaten the peace, security or stability of Yemen, including human rights violations.

The amended Regulations entered into force on June 25, 2019, to incorporate the recent UN Resolution 2216 into Canadian legislation and impose a targeted arms embargo. Subject to certain exceptions, the measures imposed against Yemen prohibit any person in Canada and any Canadian outside of Canada from knowingly dealing in property in Canada that is owned or controlled by a person designated by the 2140 Committee.

Economic sanctions are used more and more as a means to effect change and restrict the free movement of individuals and entities believed to commit egregious acts in violation of human rights. These developments are merely recent amendments to Canada's ongoing and rigorous sanctions regime. Canadian exporters should be mindful that Canada imposes sanctions on a number of other countries, including Central African Republic, Democratic Republic of the Congo, Eritrea, Iran, Iraq, Lebanon, Libya, Mali, Myanmar, North Korea, Russia, Somalia, South Sudan, Sudan, Syria and Zimbabwe.

For more information, please contact a member of Dentons' Trade, WTO and Customs group. Our leading global in-house experience and knowledge in trade, customs and investment matters, our exceptional team of government relations and arbitration lawyers in the US, Canada and Europe, as well as our reliable local connections in numerous jurisdictions, can assist you in pursuing opportunities worldwide, while successfully managing regulatory compliance in multiple jurisdictions.

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