

Chapter 19

Non-FSMA powers



19.18 Counter-Terrorism Act 2008

- 19.18.1** The *FCA* has investigation and sanctioning powers in relation to both criminal and civil breaches of the Counter Terrorism Act 2008 (“the Counter Terrorism Act”). The Counter Terrorism Act allows the Treasury to issue directions imposing requirements on relevant persons in relation to transactions or business relationships with designated persons of a particular country. Relevant persons may be required to take the following action:
- apply enhanced customer due diligence measures;
 - apply enhanced ongoing monitoring of any business relationship with a designated person;
 - systematically report details of transactions and business relationships with designated persons; or
 - limit or cease business with a designated person.
- 19.18.2** The *FCA* is responsible for monitoring and enforcing compliance with requirements imposed by the Treasury under the Counter Terrorism Act by ‘credit institutions’ that are authorised persons and by ‘financial institutions’ (except money service businesses that are not authorised persons and consumer credit financial institutions). ‘Credit institutions’ and ‘financial institutions’ are defined in Part 2 of Schedule 7 to the Counter Terrorism Act.
- 19.18.3** The investigation and sanctioning powers given to the *FCA* by the Counter Terrorism Act are similar to those given to the *FCA* by the Money Laundering Regulations. The *FCA*'s approach to using its powers under the Counter Terrorism Act will be consistent with its approach to using its powers under the *Money Laundering Regulations*, described in paragraphs ■ 19.15.1 to ■ 19.15.7 above.