

Canada Imposes Sanctions On Nicaraguan Officials To Respond To Human Rights Abuses

July 01, 2019

Canada imposed economic sanctions against nine Nicaraguan government officials on June 20, 2019 as a result of ongoing human rights violations by Nicaragua's government. The sanctions were imposed under the Special Economic Measures Act (SEMA). Similar sanctions were imposed by the US government.

The Nicaraguan sanctions impose asset freezes and prohibitions on dealings in property and goods with listed persons and those acting on their behalf. The Nicaraguan sanctions evidence Canada's willingness to use a broad range of tools to respond to human rights violations.

Canadian companies or investors with ties to Nicaragua must take note of these sanctions. Nicaragua suffers from entrenched government corruption. The officials targeted hold senior positions and include the president of the National Assembly, the ministers of health and transportation, and the head of Nicaragua's telecommunications industry. Canadian companies carrying on business in Nicaragua could face regulatory and financial risk if the listed officials have personal stakes in local business counterparties. Due diligence of local business partners and their beneficial owners is a critical step to mitigate risk.

The Canadian government is expanding the measures it uses to respond to human rights abuses. Whether through trade or procurement rules prohibiting goods made from forced or child labour, or considering new federal legislation that would mandate supply chain due diligence, the government is signalling that businesses must examine their supply chains to assess and mitigate potential adverse impacts on human rights in international business.

By

[Milos Barutciski, Josh Scheinert](#)

Expertise

[International Trade & Investment](#)

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 725 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

blg.com

BLG Offices

Calgary

Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa

World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver

1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal

1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2024 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.