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AFB Financial Crime Masterclass

Managing Sanctions Risks (Identifying the Risks in Transactions and Trade)

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10 November 2026

Association of Foreign Banks (AFB) foreignbanks.org.uk

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Expected Learning Outcomes

By the end of this session, you will be able to:

- Define sanctions and the aims and objectives of the use of sanctions, and what these mean to the subject of the designation and firms.
- Describe some of the key international sanctioning bodies including the UN Security Council, Financial Action Task Force, and local jurisdiction bodies in the USA, EU and UK.
- Outline some of the current prohibitions that are in place
- Outline the framework of systems and controls that must be in place to manage sanctions risks and avoid breaches.
- Describe the reporting requirements for positive matches to designations and other applicable laws including those relating to the proceeds of crime and terrorism.



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Agenda

1. Introduction to sanctions
2. Brief summary of UN, UK, US and EU sanctions laws and regulations
3. Defining the framework of good governance
4. Case enforcement analysis to highlight what can go wrong
5. Identification of current and emerging sanctions risks, and what we can expect going forward



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Part 1: Introduction to Sanctions

Aims, Objectives and Hierarchy of Influence

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Introduction to Sanctions

There are several types of sanctions

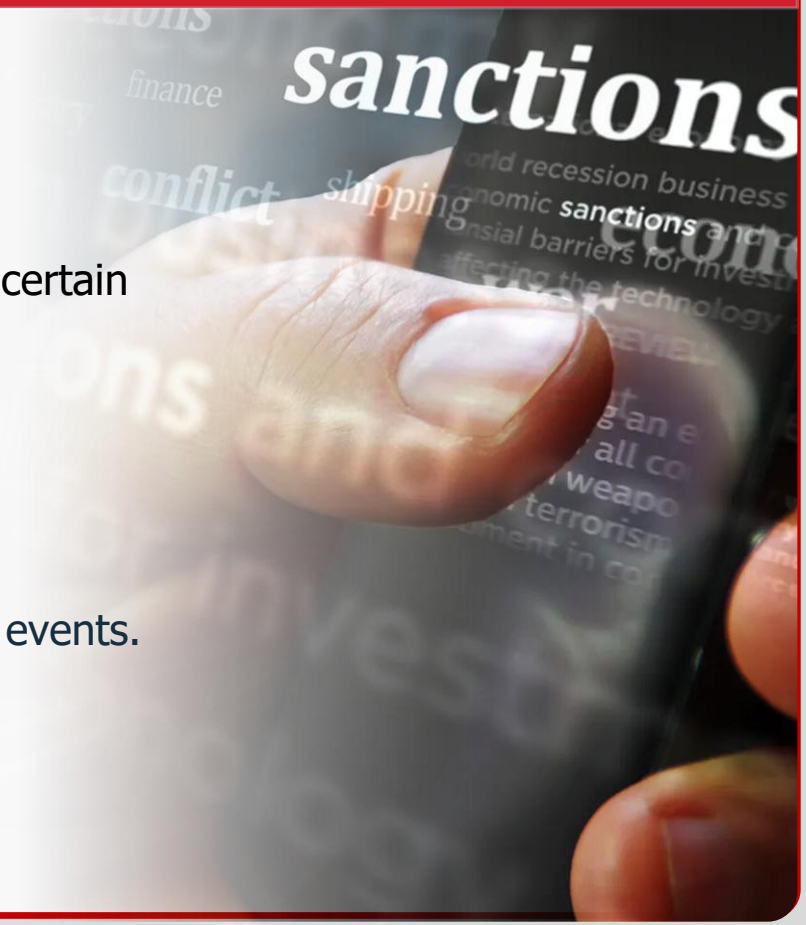
Diplomatic Sanctions:
The reduction or removal of diplomatic ties, such as embassies.

Trade and Economic Sanctions:
Typically, a ban on trade limited to certain sectors such as armaments, with certain exceptions.

Access to Financial Services:
Frozen assets and prohibition on providing unlicensed services.

Sports Sanctions:
Preventing one country's people and teams from competing at international events.

Travel:
Restrictions on entering a jurisdiction.



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Introduction to Sanctions

Who can be sanctioned?

The following can all be designated on sanctions lists:

- ❑ Jurisdictions
- ❑ Entities associated with the state government of a jurisdiction
- ❑ Goods and services and the means of transporting them including planes, vessels, and ports
- ❑ Sectors including the provision of investments and access to the markets
- ❑ Military arms, weapons, systems, and expertise (note proliferation of CBRN)
- ❑ Individuals including:
  - ➢ Government officials and state-owned businesses, ports, ships, and airlines
  - ➢ Known terrorist groups and individuals with links to them
  - ➢ Human traffickers, modern slavery, corrupt officials
  - ➢ Drug cartels (USA)



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Introduction to Sanctions

Trade Sanctions versus **Tariffs**

What is the difference and why is this important?

Trade sanctions are explicit restrictions on engaging in the import and/or export of goods and services and licenses are required.

Tariffs are taxes on imports, typically to protect domestic industry and are typical fiscal costs based upon the value of the transaction.

Evasion techniques may be similar and are criminal.

Note: In the USA President Trump is currently using **tariffs** to drive his agenda while **sanctions** are primarily used to apply pressure in furtherance of U.S. national security and foreign policy objectives.



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Introduction to Sanctions

Scope and Applicability

1. Local jurisdiction financial sanctions typically apply to all persons within the territory and territorial sea of the sovereign state and to all persons of that state wherever they are in the world.
2. Financial sanctions also apply to persons which are owned or controlled by a designated person, whether directly or indirectly. They may not be designated in their own right, so their name may not appear on the consolidated list.
3. You cannot rely on other authorised firms having already screened against sanctions lists.
4. Firms must respond in a timely manner to each new designation and ensure that systems and controls are in place to identify relationships already held, and to prohibit any new services being offered without a licence.



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Part 2: International Laws and Regulations

What do they say, and are they all the same?

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International Laws and Regulations

FATF

- Formed 1989
- G20 Ministers, now 40 members
- Global AML/CFT and Finance of Proliferation
- 40 Recommendations
- Mutual Evaluation Visits
- Black and Grey listings for non-compliance
- Sanctions, Financing of Terrorism and Proliferation

UNITED NATIONS

- 1945 UN Charter
- 190 plus member jurisdictions
- UN Security Council - Sanctions
- China, Russia, USA, GB, and France plus 10 other rotating members
- UNSCR 1273 and 1373 (AQ, Taliban and Others)
- UNSCR 1540 (Proliferation)

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International Laws and Regulations

The UK Legislative Framework (Primary)

The UK Financial Services Legislative Framework (Primary)

1. Anti-Terrorism, Crime and Security Act 2001 (ATCSA 2001)
2. Counter Terrorism Act 2008 (CTA 2008)
3. S146 of the Policing and Crime Act 2017 ** strict liability and civil offence
4. Sanctions and Anti-Money Laundering Act 2018 (SAMLA 2018)
5. S54 Economic Crime (Transparency and Enforcement) Act 2022.



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International Laws and Regulations

The UK Legislative Framework (Primary)

Economic Crime (Transparency and Enforcement) Act 2022

- ❑ Came into force on 15 March 2022
- ❑ No longer a requirement that those breaching sanctions laws must have known or suspected that they breached the law in order to impose a monetary penalty
- ❑ Increase in information sharing powers, which will allow the Office of Financial Sanctions Implementation ("OFSI") to publish cases where they suspect sanctions have been breached, but where no penalty has yet been imposed



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International Laws and Regulations

UK Secondary Regulations

1. The Counter-Terrorism (Sanctions) (EU Exit) Regulations 2019
2. The Counter-Terrorism (International Sanctions) (EU Exit) Regulations 2019
3. The ISIL (Da'esh) and Al-Qaida (United Nations Sanctions) (EU Exit) Regulations 2019
4. Global Human Rights Sanctions Regulations 2020
5. The Global Anti-Corruption Sanctions Regulations 2021
6. The Global Irregular Migration and Trafficking in Persons (Sanctions) Regulations 2025



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International Laws and Regulations

UK Secondary Regulations

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended):

"relevant financial sanctions obligation" means a prohibition or requirement in regulations made under section 1 of the Sanctions and Anti-Money Laundering Act 2018 and imposed for one or more of the purposes in section 3(1) or (2) of that Act so far as it relates to compliance with a relevant UN obligation."

"Geographical risk factors…countries subject to sanctions, embargos or similar measures issued by, for example, the European Union or the United Nations."

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International Laws and Regulations

UK Secondary Regulations

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended):

Regulation 19 *requires a risk assessment for new products, business practices or technologies before implementation.*

Regulation 33 *notes high-risk factors when assessing the need for enhanced due diligence and seeking additional information and monitoring in certain cases:*

"Transactions relating to oil, arms, precious metals, tobacco products, cultural artefacts, ivory or other items related to protected species, or archaeological, historical and cultural and religious significance or of rate scientific value."



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International Laws and Regulations

UK Statutory Supervisory Requirements – The Financial Conduct Authority

FCA SYSC 3.2.5R:

"A firm must take reasonable care to establish and maintain effective systems and controls for compliance with applicable requirements and standards under the regulatory system and for countering the risk that the firm might be used to further financial crime."

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International Laws and Regulations

UK Trade and Financial Sanctions

Office of Trade Sanctions Implementation (OTSI)

- Part of the Department for Business and Trade, operational from 10 October 2024
- OTSI works with businesses to offer guidance, issue licences and investigate reports of trade sanctions breaches
- New reporting obligations introduced. Firms are now be expected to inform OTSI of suspected breaches of certain trade sanctions
- Unit has new and enhanced powers to crack down on businesses in breach.

Office of Financial Sanctions Implementation (OFSI)

- It is part of **HM Treasury** and is the UK authority responsible for implementing and enforcing financial sanctions. In practical terms, OFSI:
- Maintains and administers UK financial sanctions measures.
- Publishes guidance on sanctions compliance. Issues licences that permit certain activities that would otherwise be prohibited by sanctions.
- Receives reports of suspected sanctions breaches and frozen assets
- Has civil enforcement powers

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International Laws and Regulations

UK Trade Sanctions - Export Control and Strategic Trade Regulations

Export Control Act 2002

Export Control Order 2008

Relevant when funding transactions involving:

- ❑ Military goods
- ❑ Dual-use goods
- ❑ Controlled technologies
- ❑ Restricted destinations

Trade finance institutions often need assurance that underlying trade is lawful before supporting a transaction.



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International Laws and Regulations

Sanctions Regulation in Europe

Union restrictive measures are binding on any person or entity under the jurisdiction of EU Member States, and their violation might constitute a criminal offence.

Restrictive measures applicable to financial institutions comprise:

a. targeted financial sanctions; and

b. sectoral measures, e.g. economic and financial measures.

Their violation might constitute a criminal offence.

EU regulations on restrictive measures do not prescribe how financial institutions should comply with restrictive measures regimes.



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International Laws and Regulations

Sanctions within an EU Member State

Case Example. France is subject to three sources of sanctions:

1. When the UN Security Council designate a 'sanctions' target, each member state is required to comply with that instruction.
2. France also observes European designations.
3. France also acts according to the national interests of France under the Monetary and Financial Code.

The General Directorate of the Treasury supervises financial and trade sanctions.

The Ministry of Foreign Affairs administers military-related activity and licensing.

The financial penalties for non-compliance are similar to the UK, and the term of potential imprisonment is up to five years.



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International Laws and Regulations

US Sanctions Overview

Primary Legislation

- ❑ Trading with the Enemy Act (Cuba)
- ❑ International Emergency Economic Powers Act (most commonly used)
- ❑ United Nations Participation Act (enforce Article 41)

Note: 50% beneficial ownership rule. In line with EU guidance, OFSI considers that the key criterion is more than 50% of the proprietary rights of an entity or having a majority interest in it.

***Note that the US refer to 50% or more!



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International Laws and Regulations

US Sanctions Overview

Office of Foreign Asset Control

- ❑ OFAC administers and enforces economic and trade sanctions against targeted foreign countries, ships, vessels, criminals, and terrorists
- ❑ This is based on US foreign policy and national security goals
- ❑ Jurisdiction (all US persons and US entities)
- ❑ US Dollar is reserve currency and primary currency in global trade

Note: Secondary application where 'causation' is confirmed is a key risk for non-US persons



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International Laws and Regulations

US Sanctions Overview

US Person

Directly applicable to:

- ❑ All persons subject to the jurisdiction of the USA
- ❑ US-incorporated Entities and their Branches and Subsidiaries (wherever located)
- ❑ US citizens and permanent residents (regardless of where they are located)

And can also be applicable to:

- ❑ US$ transactions flowing through the US financial system
- ❑ Foreign banks maintaining a correspondent account in the US



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International Laws and Regulations

UK Blocking



- Extraterritorial US Legislation (Sanctions against Cuba, Iran and Libya) (Protection of Trading Interests) Order 1996
- UK Brexit legislation 1st January 2021 came into force to replace existing EU blocking legislation.
- Called 'The Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020'.

EU Blocking



- 7th August 2018 (1996), effective from 5th November 2018.
- Requires any EU person to notify the Commission of any effects on the economic and/or financial interests of that person caused by a measure blocked in the Annex.
- No court judgement located outside the EU gives effect or shall be enforceable in the EU.
- No EU person shall comply, whether directly or indirectly, unless authorised.

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Managing the Risks

Sanctions Lists

What are the lists that should be considered and screened in an international business that has an international nexus?

1. UN Security Council and UN Country Lists
2. USA OFAC Specially Designated Nationals & Blocked Persons (SDN List)
3. USA 'Non-SDN List' including Sanctions Evader List and USA Account Payable Through
4. Other applicable local jurisdiction lists (e.g. UK, EU and HK)
5. CBRN, Dual Use Goods & Military Arms and Weapons
6. Internal watch list!



Managing the Risks

Sanctions Lists

What are the lists that should be considered and screened by a UK business?

- Details all asset freeze targets listed under UK autonomous financial sanctions legislation and UN sanctions **("the UK Sanctions List")**. The individuals, entities and ships listed are known as "designated persons".
- OFSI aims to update the list within one working day for all new UN and UK listings coming into force in the UK, and within three working days for all other amendments.
- OFSI maintains a separate list of persons subject to **specific financial and investment restrictions**. These persons may also be contained in the sanctions list.



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Part 3: Defining the framework of good governance

A matrix of people, policies, processes, and technology working effectively and efficiently together

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The Framework of Good Governance

Sanctions Compliance

A Framework for OFAC Compliance Commitments

❑Five core pillars:

1. Management commitment;
2. Risk assessment;
3. Internal controls;
4. Testing and auditing; and
5. Training.

A Framework under UK Compliance Commitments

❑Six core pillars:

1. Management commitment;
2. Risk assessment;
3. Policies and procedures;
4. Due diligence;
5. Training and communication; and
6. Assurance and Monitoring.

***Note record keeping is 10 years under US law



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The Framework of Good Governance

Sanctions Compliance

A Framework for OFAC Compliance Commitments

Root Causes of Sanctions Non-Compliance

1. Lack of a Formal Sanctions Policy
2. Misinterpreting, or Failing to Understand the Applicability of, OFAC's Regulations
3. Facilitating Transactions by Non-U.S. Persons (Including Through or By Overseas Subsidiaries or Affiliates)
4. Exporting or Re-exporting U.S.-origin Goods, Technology, or Services to OFAC-Sanctioned Persons or Countries
5. Utilizing the U.S. Financial System, or Processing Payments to or through U.S. Financial Institutions, for Commercial Transactions Involving OFAC-Sanctioned Persons or Countries



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The Framework of Good Governance

Sanctions Compliance

A Framework for OFAC Compliance Commitments

Root Causes of Sanctions Non-Compliance

6. Sanctions Screening Software or Filter Faults
7. Improper Due Diligence on Customers/Clients (e.g., Ownership, Business Dealings, etc.)
8. De-Centralized Compliance Functions and Inconsistent Application of the sanctions policy
9. Utilizing Non-Standard Payment or Commercial Practices
10. Individual employees—particularly in supervisory, managerial, or executive-level positions—have played integral roles in causing or facilitating violations



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The Framework of Good Governance

FCA 'Sanctions systems and controls in our firms: our findings' May 2026



Governance and Oversight

- ❑ Senior management must actively oversee sanctions risk.
- ❑ Firms must provide granular MI on sanctions.



Risk Assessment

- ❑ Firms must maintain current, methodologically sound sanctions risk assessments.
- ❑ Many firms' assessments were found to be outdated or incomplete.



CDD & Ongoing Monitoring

- ❑ CDD must include sanctions-specific questions, including trade-sanctions exposure.
- ❑ Weaknesses in due diligence are one of the top root causes of breaches



Screening

- ❑ Poor calibration and configuration.
- ❑ Over-reliance on vendor tools without understanding their logic.
- ❑ Insufficient testing after list updates or system changes.
- ❑ Detection of names.

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The Framework of Good Governance

FCA 'Sanctions systems and controls in our firms: our findings' May 2026



List Management & Data Feeds

- ❑ Firms must ensure timely updates of sanctions lists and data feeds.
- ❑ Inconsistent update processes.
- ❑ Titles, one-word names, long names, names with digits, and suffixes.



Alert Management & Resourcing

- ❑ Firms must have clear investigation standards, QA processes, and adequate staffing.
- ❑ Poor alert handling is a major breach cause



Asset Freezing & Licencing

- ❑ Firms must freeze assets immediately and comply with OFSI licences.
- ❑ FCA found weaknesses in managing frozen assets and understanding licence conditions.



Evasion Detection

Firms must detect sanctions evasion typologies, including:

- ❑ complex ownership structures
- ❑ trade-based evasion
- ❑ use of cryptoasset
- ❑ Russia's "shadow fleet" shipping practices

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The Framework of Good Governance

FCA 'Sanctions systems and controls in our firms: our findings' May 2026

Control Area	FCA Findings
CDD & Monitoring	Incomplete sanctions-specific due diligence; weak ongoing monitoring.
Screening Systems	Poor calibration, outdated configurations, reliance on vendors without oversight.
Alert Handling	Inconsistent triage, poor documentation, insufficient QA.
Frozen Asset Management	Errors in freezing, monitoring, and reporting frozen assets.
Licence Compliance	Misunderstanding general/specific licence conditions; failure to verify licence requirements .
Risk Assessments	Outdated, incomplete, or poorly structured sanctions risk assessments.
Governance & MI	Weak senior oversight; MI lacking detail on sanctions exposure and breaches.
Trade Sanctions Controls	Immature frameworks; firms struggle with complex trade restrictions.

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Part 4: Case Enforcement Analysis

What went wrong and why?

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CASE STUDY

Sanctions Risk



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U.S. Department of the Treasury announced enforcement actions imposing more than $1.21 billion in penalties against Bank of America ("the Bank"), the second-largest bank in the United States, for violations of anti-money laundering and sanctions laws. These actions include the third-largest penalty in Treasury history and the largest in the Office of the Comptroller of the Currency (OCC) history.

- The Financial Crimes Enforcement Network (FinCEN) assessed a $1.2 billion penalty for the Bank's failure to mitigate and report priority national security risks, including Chinese Money Laundering Networks and illicit finance along the southwest border.
- The OCC assessed a $750 million civil money penalty for the Bank's deficient and ineffective BSA/AML (anti-money laundering) compliance program.
- The Office of Foreign Assets Control (OFAC) announced an $11.6 million settlement agreement with the Bank over apparent violations of numerous sanctions programs, including on Iran, Russia, narcotics, and global terrorism.

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CASE STUDY

A Round Up of Enforcement Action



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Managing the Risks

Swedbank Latvia – IP Address

OFAC JUNE 20, 2023

386 apparent violations of OFAC sanctions on Crimea

- Throughout 2015 and 2016, a customer of Swedbank Latvia used Swedbank Latvia's e-banking platform (the "e-banking platform") from an internet protocol ("IP") address in Crimea to send payments to persons in Crimea through U.S. correspondent banks (the "Apparent Violations")
- Although Swedbank Latvia collected and stored customer IP data, it did not integrate this IP data into its sanctions' screening processes.



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Managing the Risks

Vanquis Bank – Timeliness and Responding to Designations

- On the day of designation, OFSI updated the Consolidated List with details of the DP and sent an e-Alert to subscribers publicising the designation.
- The day after the designation, at approximately 0830 VBL's screening system generated a potential match alert for the DP and placed it into a queue for prioritisation.
- The day after the designation, at 0943, the DP withdrew £200 in cash from their account with VBL.
- Five days after the designation, the DP made a purchase of £8.99 from their VBL account.
- Eight days after the designation, VBL confirmed the alert generated by its screening system was a positive match to the DP and restricted access to the DP's account.
- Thirteen days after the designation, VBL reported the breaches to OFSI.



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Managing the Risks

Starling Bank – Policy and Understanding

- September 2021 voluntarily accepted a requirement from the Authority in September 2021 (the VREQ) not to open any new accounts for high or higher risk customers while it improved its AML control framework.
- Starling opened 54,359 accounts for 49,183 high or higher-risk customers in breach of the terms of the VREQ.
- January 2023, identified that since the implementation of its financial sanctions screening framework in 2017, its automated screening system had only been screening the names of new and existing customers against a fraction of the names on the Consolidated List.



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Managing the Risks

Bank of Scotland – Language and Naming Variations

On 10th November 2025 OFSI confirmed that:

Between 8 February and 24 February 2023, the Bank of Scotland processed 24 payments, totalling £77,383.39, to or from a personal current account held by an individual designated under the Russia Regulations.

On 6 February 2023, a person designated by the UK on the 31 December 2020 opened the Account at Halifax.

The designated person, a British citizen, used a UK passport for identification when opening the Account.



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Managing the Risks

Deutsche Bank - Vendor Due Diligence

On 30 April 2026 OFSI imposed a penalty of £165,000.00 on Deutsche Bank AG London Branch ("DBLB") because:

- ❑ Made funds available to a designated person without licence.
- ❑ The payment beneficiary in this case, Okko, is a Russian app developer that operates an online media streaming platform.
- ❑ Okko was a customer of DBLB's customer and was not itself a customer of DBLB. DBLB's customer (not Okko) instructed DBLB to process the Payments in question.



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Managing the Risks

Deutsche Bank – Vendor Due Diligence

"While DBLB conducted sanctions screening in respect of the beneficiary (Okko) for both Payments, no alert for Okko was generated in screening because, at the time of the Payments, the screening lists provided by DBLB's third-party screening vendor did not include data in relation to Okko's ownership.

DBLB did not address or uncover:

1. How its customer assessed sanctioned party ownership-related risk.
2. That the customer placed reliance on a self-certification model.
3. Nor did it update its onboarding questionnaire to explicitly reference Russia sanctions.."



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Managing the Risks

Deutsche Bank – Vendor Due Diligence

OFSI considered the direct cause of these breaches related to issues arising in screening and accepts that DBLB

(i) had no general legal requirement to conduct due diligence on its customer's customers and
(ii) was aware that its customer in this case conducted sanctions screening of its customers and relied in part on third-party providers for ownership and control data.

OFSI concluded that DBLB had been unaware that its customer did not augment its diligence process by affirmatively requesting ownership information from its downstream customer.



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Managing the Risks

Shipping – Supply Chain Due Diligence

Settlement Agreement between the U.S. Department of the Treasury's Office of Foreign Assets Control and Adani Enterprises Limited (18th May 2026)

- Adani Enterprises Limited (AEL) is an Ahmedabad, India-based company.
- From November 2023 to June 2025, AEL purchased shipments of liquified petroleum gas (LPG) from a Dubai-based trader purporting to supply Omani and Iraqi gas.
- AEL does not appear to have taken sufficient steps to investigate red flags beyond reviewing shipping documentation and obtaining assurance from the Dubai Supplier that it was not selling Iranian-origin LPG after receipt of some of the third-party allegations.



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Managing the Risks

Shipping – Supply Chain Due Diligence

- AEL conducted its standard Know Your Customer verification process on the Dubai Supplier and its affiliates involved in LPG sales to AEL, which identified no hits against OFAC's List.
- AEL reviewed Know Your Customer documentation, reviewed shipping documentation and vessel port of calls lists, and checked vessels, vessel operators, and LPG sellers against the SDN List.
- None of the parties involved in AEL's LPG imports were sanctioned at the time of the LPG shipments, and none of the documentation provided to AEL contained any information explicitly pointing to Iranian origin of the LPG.



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Managing the Risks

Shipping – Supply Chain Due Diligence

AEL and APSEZ's sanctions compliance program did not include other measures to account for risks arising from its dealings, as described below:

- ❑ (They) received inquiries from an Indian state-owned entity alleging that a specific vessel would be coming into Mundra carrying Iranian-origin LPG imported by a third party.
- ❑ A shipment of fully refrigerated propane was identified as being loaded in Sohar, Oman. Yet, Sohar is not a significant source of Omani LPG exports.
- ❑ Transaction documentation provided by the Dubai Supplier also bore indica of falsification, including: (1) illogical and nonsequential numbering of certificates of origin, (2) repeated unexplained delays in post-shipment issuance of documents, and (3) use of outdated document templates.
- ❑ The prices AEL received from the Dubai Supplier were sufficiently below the predominant market rate.



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Part 4: Identifying and Reporting the Risks

Identification of current and emerging sanctions evasion techniques, and escalation processes.

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Identifying the Risks

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Risk Based Approach – A Matrix of Factors



Customer

- ❑ Domicile, residency and nationality
- ❑ Shell/shelf companies
- ❑ Nominees
- ❑ Sector and underlying trade activity



Jurisdictions

- ❑ Round tripping
- ❑ Zone 2 proximity to sanctioned Zone 1 area
- ❑ Language or cultural affinity
- ❑ Diaspora



Product

- ❑ Omnibus accounts
- ❑ Cross border remittance
- ❑ Third parties
- ❑ Correspondent Banking



Trade-Related

- ❑ Shipping – STS, AIS spoofing, reflagging, dark fleet
- ❑ Fraud documentation
- ❑ Free Trade Zone

Identifying the Risks



What Banks Can Do (Controls & Detection)

D. Transaction Monitoring Rules

- ❑ High-risk geographies
- ❑ Rapid resale chains
- ❑ Use pattern recognition for TBML typologies

E. Pricing & Volume Analysis

- ❑ Compare trade pricing with market benchmarks
- ❑ Check for unusual discounts/premiums

F. Collateral & Control Structures

- ❑ Tighten control over cargo:
- ❑ Title control
- ❑ Controlled accounts
- ❑ Avoid financing without physical traceability

G. Sanctions & Compliance Integration

- ❑ Screen vessels, operators, and counterparties continuously
- ❑ Focus on sanctioned regimes and known evasion typologies

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Reporting the Risks

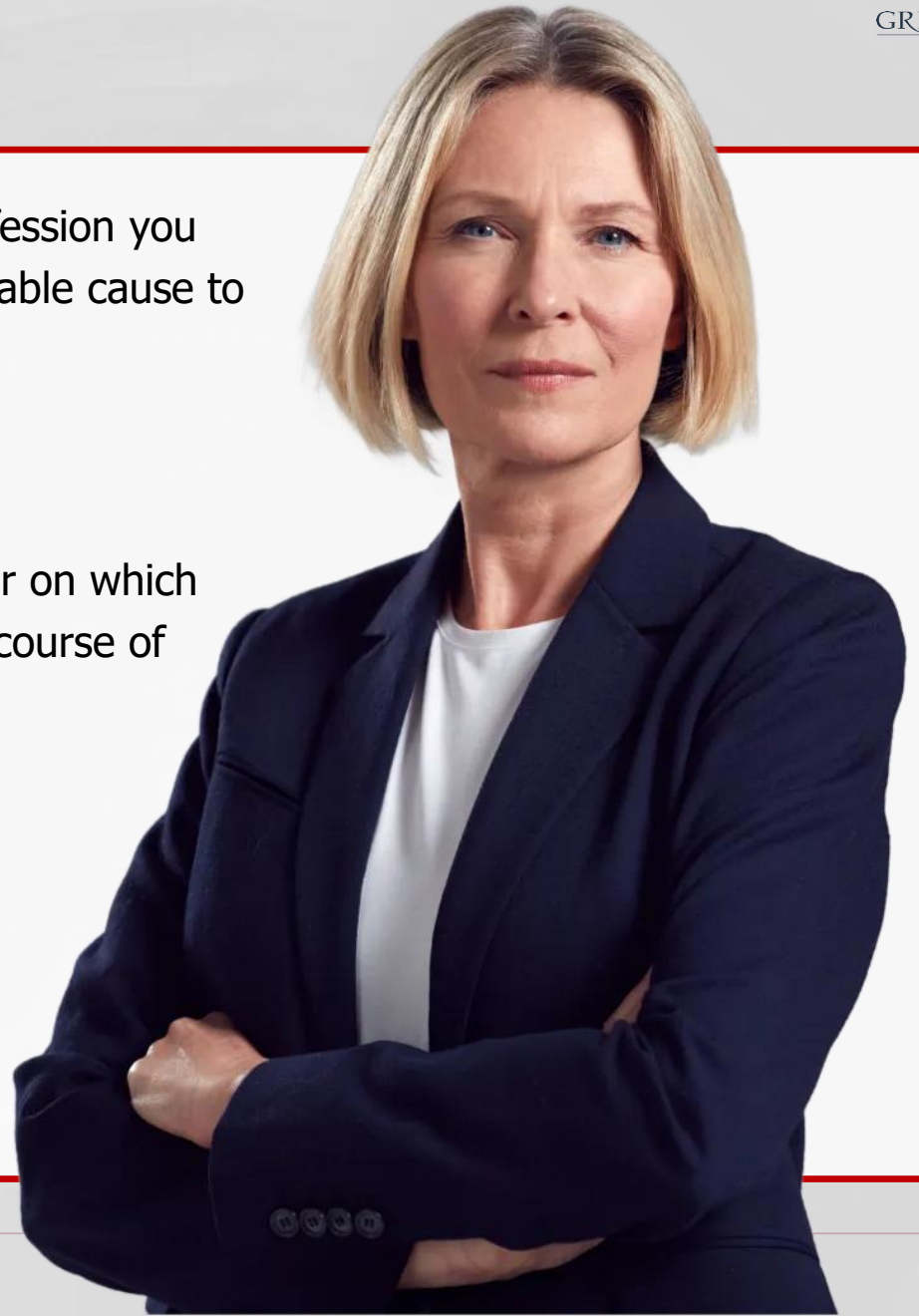
If you are a **relevant institution** or relevant business or profession you must report as soon as practicable if you know or have reasonable cause to suspect that a person:

- ❑ is a designated person
- ❑ has committed an offence under the regulations

You are required to report this information, or any other matter on which your knowledge or suspicion is based, if it came to you in the course of carrying out your business.

Reports should be made to one or more of:

- ❑ OFSI
- ❑ OTSI
- ❑ HMRC
- ❑ FCA



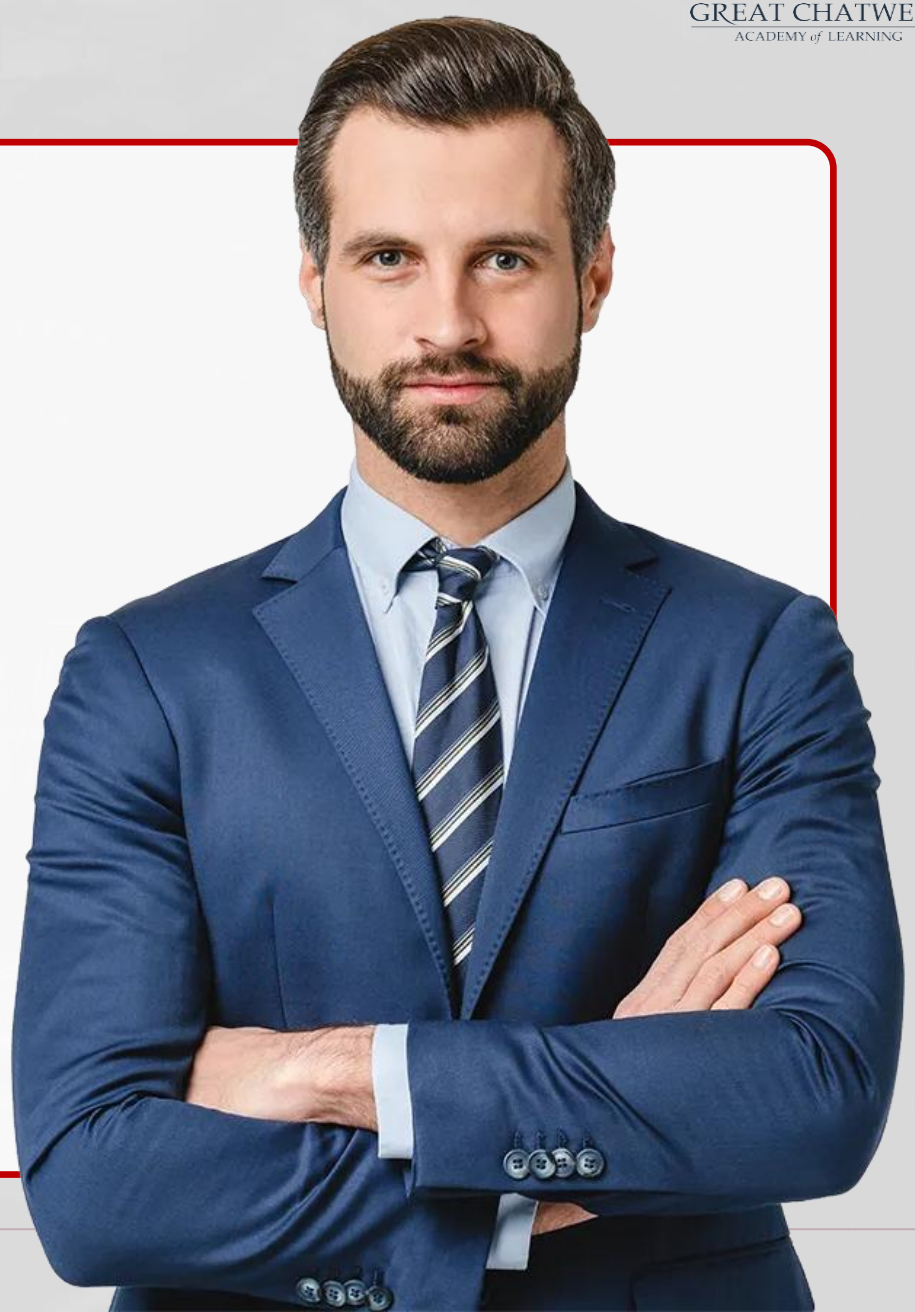
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Reporting the Risks

Additional policy reporting considerations include:

- ❑ Proceeds of Crime
- ❑ Terrorist Financing
- ❑ Fraud
- ❑ Clearing Banker
- ❑ The board
- ❑ Overseas regulator (Note: USA 10-day rule)

Note: whistleblowing reporting procedures introduced in 2025 for breaches of sanctions in the UK.



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Expected Learning Outcomes

Now that we are at the end of this session, can you:

- Define sanctions and the aims and objectives of the use of sanctions, and what these mean to the subject of the designation and firms?
- Describe some of the key international sanctioning bodies including the UN Security Council, Financial Action Task Force, and local jurisdiction bodies in the USA, EU and UK?
- Outline some of the current prohibitions that are in place?
- Outline the framework of systems and controls that must be in place to manage sanctions risks and avoid breaches?
- Describe the reporting requirements for positive matches to designations and other applicable laws including those relating to the proceeds of crime and terrorism?



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