

Embargo information on KBC website

International organizations and authorities such as the United Nations, the European Union and local or other national authorities can all impose restrictive measures against countries, organizations, legal entities and / or individuals for committing or being suspected of infringement of human rights and international law, acts of crime, terrorism, money-laundering etc.. These measures are most commonly referred to as sanctions or embargoes.

KBC has a responsibility towards customers and authorities to conduct business in a lawful and ethical way. Therefore we will observe laws and binding requirements of applicable laws and regulations, and for reasons of social responsibility, we may also choose to be more strict than legally imposed.

Embargoes

An embargo is a restrictive measure or sanction on national and/or international level. Although provisions differ by country, person or agency, we distinguish two common types of embargoes:

- Financial embargoes: restrictions related to financial operations and financial resources
- Trade embargoes: restrictions on the import or export of certain goods or trade with certain countries or parties

KBC Bank complies with financial and trade embargoes issued by the United Nations (made enforceable in Belgium), the European Union and by the Belgian legislator, and any other embargo issued by a number of Third Countries that it determines are relevant such as the USA (OFAC).

For more information on UN, EU and OFAC sanctions, please click on the respective links below.

Observing embargo regulations means that KBC will not provide funds or economic resources to persons, entities or government agencies that appear on embargo sanction lists or support any kind of transaction with these parties. This not only helps us to avoid penalties for breaching international sanctions, it also helps you, as our customer, manage some of the risks associated with international trade.

KBC has implemented certain screening measures in its different processes to ensure compliance with the applicable restrictions and regulations and with its own policy where this is more strict. As a result, a customer may be requested to provide KBC with more information or documentation on transactions or counterparties before KBC can process a transaction or payment.

Please note that Correspondent Banks also have the right to suspend any transaction in case their monitoring system detects a potential breach of embargoes. In case of suspended transactions KBC Bank acts only as intermediary between the customer and the correspondent bank, without having any influence on the result of their investigation.

In order to avoid complications customers are advised to contact the bank when considering doing business with countries, persons, entities or government agencies against which restrictive measures have been imposed. For more information on applicable embargoes or on specific KBC policies, please get in touch with your KBC contact person.

KBC specific country policies

KBC has decided to go further than the legally applicable sanction programs and to apply a more strict policy with respect to the following countries: Crimea, Cuba, Iran, Myanmar, North-Korea, Russia, South-Sudan, Sudan, Syria and Venezuela. KBC deems these countries to be more sensitive, for instance because comprehensive or complex embargoes or export control regulations are imposed under UN, EU or Third Country legislation or regulations, and/or because of the presence of a significant number of blocked individuals or entities. Therefore, please always contact your contact person at KBC when you have questions regarding our policy with respect to one of these countries.

Through a thorough screening of the transaction details KBC wants to make sure that the transaction is legally allowed and within the limits of our own policy.

The details for each country policy may change at any given time, due to changing regulations or political circumstances.

Crimea

KBC will not process any payments in USD that involve Crimean parties.

KBC has restrictions on non-USD payments with Crimean counterparties. For more details please refer to your contact person within KBC.

Cuba

KBC will not process any payments in USD that involve Cuban parties.

KBC will only process non-USD payments for its own customers, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

Iran

KBC will only process trade related payments and transactions with regard to the export to Iran and only for its own customers, who are active as producers of medicines and / or medical devices, as far as the following cumulative conditions are met:

- The customer is a longstanding KBC customers; and
- It does not concern (direct, nor indirect) payments or transactions in USD, CAD or GBP; and
- The transactions are documented in detail; and
- After thorough screening of the transaction details it's clear that the transactions are legally allowed and within the limits of KBC's own internal commercial policy with regard to Iran

For more details you can always contact your KBC contact person.

Myanmar / Burma

Besides financial transactions to and from sanctioned persons and entities, all following transactions and related financial transactions are also excluded, regardless of the currency: Arms and related military goods, dual use (military, but also civil) goods and equipment, technology and software, included in the sanction list and mainly used for monitoring and interception of incoming and outgoing internet and phone communications.

Therefore financial transactions and payments regarding Myanmar/Burma will only be processed after thorough screening of the transaction details, to make sure the transaction is legally allowed and also within the limits of KBC's internal policy.

North-Korea

KBC will not process any payment or transaction that is related to North-Korea.

Russia

Sanctions on Russia are very diverse and comprehensive, EU and OFAC sanctions are different.

Therefore every transaction that has any link to Russia will be thoroughly screened to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

Sudan and South-Sudan

KBC will not process any open account payments in USD, CAD or GBP.

KBC will only process non-USD, non-CAD or non-GBP open account payments for its own customers, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

KBC will allow documentary transactions (trade transaction under documentary collection or documentary credit) in all currencies, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

Syria

KBC will not process any payments in USD, CAD or GBP that involve Syrian parties.

KBC will only process non-USD, non-CAD or non-GBP payments for its own customers, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

Venezuela

Sanctions on Venezuela are not only very diverse and comprehensive: EU and Third Country sanctions also cover a range of various types of activities, persons, entities and currencies.

Besides financial transactions to and from sanctioned persons and entities, all following transactions and related financial transactions are also excluded, regardless of the currency: Arms and related military goods, as well as equipment, included in the sanction list and mainly used for internal repression.

Taking into account the important restrictions and exceptions re. Venezuelan transactions, all financial transactions and payments regarding Venezuela will only be processed after thorough screening of the transaction details, to make sure that the transaction is legally allowed and also within the limits of KBC's internal policy.

UN: <https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list>

EU: <http://ec.europa.eu/dgs/fpi/what-we-do/sanctionsen.htm>

US (OFAC): <http://www.ustreas.gov/offices/enforcement/ofac/sdn/>

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