



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

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Financial Sanctions: Frequently Asked Questions (FAQs) for Credit and Financial Institutions



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Introduction

The Central Bank of Ireland (the “Central Bank”) has already published on its website a link to the EU Frequently Asked Questions on EU restrictive measures and this is included again below for information purposes:

http://eeas.europa.eu/cfsp/sanctions/docs/frequently_asked_questions_en.pdf

These FAQs provide further information for credit and financial institutions on the UN and EU sanctions regimes currently in place. Please note that they do not supersede or replace legal requirements nor do they constitute legal advice. The FAQs should be read in conjunction with the relevant sanctions specific legislation that applies in respect of each sanctions regime.

Frequently Asked Questions

1. What are sanctions?

Sanctions are an instrument of a diplomatic or economic nature which seeks to bring about a change in activities or policies, such as violations of international law or human rights or policies that do not respect the rule of law or democratic principles. These are imposed by both the EU and the UN.

2. What are financial sanctions?

Financial sanctions are primarily concerned with curtailing the movement of payments and capital. In accordance with EU law, Ireland adheres to the list of sanctioned individuals and entities prescribed by the EU.

3. What are targeted financial sanctions related to terrorism and proliferation?

Targeted Financial Sanctions are a specific type of financial sanction with a stated objective, one of which is the prevention of terrorist financing.

Targeted Financial Sanctions can originate at the supranational level (EU) or international level (UN). While there is a clear obligation to comply with EU Council Regulations, it is also necessary to monitor the designation of persons and entities by the United Nations Security Council Sanctions Committees (“UN Sanctions Committees”) in the terrorist financing context. The EU gives legal effect to Targeted Financial Sanction designations by the UN Sanctions Committees through EU Council Regulations.

The EU applies measures against individuals and groups designated by the EU autonomously or by the UN in EU Council Regulations relating to terrorism. The

EU also implements UN sanctions against Al Qaida and the Taliban. Further information can be found:

<http://www.centralbank.ie/regulation/processes/anti-money-laundering/Pages/TerroristFinancingExplained.aspx>

4. Who is responsible for administration of financial sanctions in Ireland?

The Central Bank is listed as one of the competent authorities for Ireland in the Annexes to the EU Financial Sanctions Regulations and is responsible for the administration, supervision, and enforcement of relevant aspects of financial sanctions in Ireland.

The other Irish competent authorities for EU Restrictive Measures are the Department of Jobs, Enterprise and Innovation and the Department of Foreign Affairs and Trade.

5. Who is responsible for trade sanctions?

The Department of Jobs, Enterprise and Innovation is responsible for trade sanctions.

6. What is the role of the Central Bank of Ireland?

The Central Bank is responsible for the administration, supervision, and enforcement of relevant aspects of financial sanctions in Ireland.

7. How can I contact the Central Bank about financial sanctions?

We can be reached by email at sanctions@centralbank.ie. Our address is Financial Sanctions Unit, Anti-Money Laundering Division, Central Bank of Ireland, Block D, Iveagh Court, Harcourt Road, Dublin 2.

8. Can I get legal advice from the Central Bank of Ireland?

No. The Central Bank as one of the competent authorities responsible for the administration, supervision, and enforcement of EU Financial Sanctions in Ireland cannot provide legal advice or provide interpretation of the legislation where the Central Bank may subsequently be involved in an investigation or enforcement process for a potential financial sanctions breach.

9. How do I keep up to date with EU financial sanctions?

The Central Bank website includes up to date information on EU financial sanctions with links to the most up to date EU Financial Sanctions list for searching purposes. It also includes recent updates to the EU Financial Sanctions list at:

<http://www.centralbank.ie/regulation/processes/Intfs/Pages/FinancialSanctionsUpdates.aspx>

Further information is available on the European External Action Service (EEAS) website below:

http://eeas.europa.eu/cfsp/sanctions/index_en.htm

10. How do I keep up to date with UN Targeted financial sanctions?

The Central Bank website includes up to date information on UN Targeted financial sanctions with links to the most up to date UN list for searching purposes. Further helpful information is also available on the UN Security Council website:

<http://www.un.org/sc/committees/index.shtml>

11. What do I do if I have a hit on the EU financial sanctions list?

Where you have an exact match or have not been in a position to discount the name matched, you must freeze the assets and contact the Central Bank at sanctions@centralbank.ie.

12. What do I do if I have a hit on the UN Targeted financial sanctions list related to Terrorism?

If you have knowledge or a suspicion of terrorist financing, you must immediately send a suspicious transaction report (STR) to An Garda Síochána and the Revenue Commissioners. If you have a match (or a “hit”) or have not been in a position to discount the name matched to the terrorist list, you should contact the Gardai immediately and report in line with your normal reporting procedures. If the hit is also listed in the EU Council Regulations and related to terrorism, you must immediately freeze the assets and contact An Garda Síochána and the Central Bank.

13. What other help is available in determining if I have a match to a name on one of the lists?

Both the UN and EU lists may offer helpful additional background in the form of narrative reasons for the listing of the target concerned.

INTERPOL also publish Special Notices concerning certain designated persons that can include photographs. These are available at:

<http://www.interpol.int/INTERPOL-expertise/Notices/Special-Notices>

If, after assessing all available information, you are unable to determine whether a customer is indeed a listed person and wish to seek guidance from the Central Bank, then you should contact us at sanctions@centralbank.ie.

14. What about other countries' financial sanctions that impact on my business?

Depending on the business operations and group structure of your institution, foreign sanctions may impact on your business. This may be the case where group wide policies are implemented. The Central Bank cannot advise you on compliance with foreign sanctions.

15. How often are the EU and UN list updated?

Lists can be updated at any time and the Central Bank expects that you monitor the lists to ensure that you are using the most up to date information at all times when conducting your ongoing monitoring obligations

16. Does the European Union have a list of EU sanctions regimes?

Yes. A complete list of EU sanctions regimes are available at:

http://eeas.europa.eu/cfsp/sanctions/docs/measures_en.pdf



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