



The  
University  
Of  
Sheffield.

## Finance and Commercial Advice note for Departments

### Guidance on the application of Sanctions

#### Introduction

Financial and Trade sanctions (collectively sanctions) are part of a package of measures applied by individual countries, International Organizations or Regional Bodies to fight aggression, terrorism, criminal behaviour or violations of human rights. They are applied to:-

**Countries** – either subject to international sanctions (whole or part) or known to be home to particular Target Names or Specially Designated Nationals.

**Individuals & Entities** – may be country based or activity based. Some may be located outside of the listed countries.

**Activities** – Some are not country specific, such as terrorism, narcotics trafficking or proliferation of Weapons of Mass Destruction.

The University has a legal obligation to comply with sanctions. In terms of financial sanctions this is strengthened and complimented by the position taken by the University's provider of banking services, being the Lloyds Banking Group. This is because all financial transactions are ultimately handled via the bank accounts that the University has established with Lloyds.

#### Lloyds Banking Group

As part of our business relationship with Lloyds, we are required to adhere to their policy with respect to any financial transactions with sanctioned countries, business entities or individuals.

Lloyds Banking Group periodically reviews its approach to dealing with countries and business entities subject to government and international sanctions across the globe in order to best protect its customers, its businesses, its people and its reputation. Lloyds Banking Group is committed to complying with its legal and regulatory responsibilities in relation to financial and trade sanctions and has no appetite for non-compliance. To reflect the Group's risk appetite and to protect Lloyds Banking Group from financial and reputational damage including regulatory censure, fines and enforcement action, the Lloyds Banking Group Sanctions Policy clearly articulates a set of minimum standards and requirements with which all of its businesses (including the University) must comply. In some areas, this goes beyond their regulatory or legislative obligations.

Lloyds Banking Group must not maintain any business relationships, process payments (directly or indirectly) to or from or undertake commercial transactions with entities or individuals based in the countries listed below. This prohibition applies to all transactions and payments in all currencies.

- Iran
- North Korea
- Syria
- Sudan

In addition to the above, certain restrictions apply when dealing with Cuba, Burma (Myanmar) and Crimea. Any requests to commence business relationships or process payments in relation to these countries will be considered on a case by case basis. If you wish to transact with these countries, please contact the [Treasury Team](#) in the Finance Department before doing so.

### **Required action for University staff**

Payments to or from countries, business entities or individuals that are subject to Sanctions will present problems as all transactions are subject to the clearance or approval of Lloyds Bank. The answer is of course to prevent the problem from arising by being aware of the application of any sanctions BEFORE any obligation to pay or receive funds has been created. As such, it is vitally important that checks are undertaken before any agreement or contract has been signed or even before any contract has been agreed verbally. If in doubt, please ask any member of the [Treasury Team](#) for advice.

### **Useful Links**

- <https://www.gov.uk/government/collections/financial-sanctions-regime-specific-consolidated-lists-and-releases>
- <https://www.gov.uk/government/publications/financial-sanctions-faqs>
- <http://engage.hm-treasury.gov.uk/fin-sanc-subscribe/>
- [http://eeas.europa.eu/cfsp/sanctions/index\\_en.htm](http://eeas.europa.eu/cfsp/sanctions/index_en.htm)
- <https://www.gov.uk/government/publications/financial-sanctions-iran-nuclear-proliferation>

### **Review**

This document will be regularly reviewed in order to ensure that the guidance and any countries listed remains up to date. The web sites provided in the Useful Links above are also regularly updated.