contact@respectus.space   +352 27 39 85 1

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Patrick Goergen ♔   Mar 7, 2023   4 min read

D-8: Customer Screening, with due diligence processes and name checks

Knowing Your Customer is key, not only for banks and financial providers, but also for exporters of sensitive goods, technology and software. Everyone wants to be sure that the exported items get the end-use they were intended to have, and will not land in the hands of countries and people using it for proliferation or for sanctions circumvention.

Are you struggling with due diligence on your customers and end-users ?

Customer due diligence is a daily job for export control compliance staff. But they are dependent on other company departments to support them in the screening process and in the collection of relevant information.

Due diligence on customers through a dedicated profile

Are you already using a complete customer profile to document everything you need to know about your customers? Or is due diligence limited to solvency checks done by the finance department? Are your client visits documented by reports stored along other company data? Is the information updated? Do you have an alert system in place, reminding you that an update of the profile is required because a certain time has gone since the last update? How often are you using enhanced due diligence reports about suspect customers, or customers in critical countries? Are you doing adverse media checks, ensuring that you get informed when your customers gets his name into the press?

Checks on embargoed, sanctioned or sensitive destinations and entities

How do you ensure that none of the involved parties (intermediaries, purchaser, consignee or end-user) are subject to restrictive measures (sanctions)? Do you have access to up-to-date sanctions lists ? Are name checks limited to a certain number of consultations? Are you doing checks every day, or only once a year? Are you performing a lot of manual work to sort out matches generated by your name check tool?

Stated end-use and diversion risk screening

How are you documenting if your customers are also end-users of your products, or, if not, who is the end-user? Do you have trouble in getting timely and entirely filled out end-user statements?
An end-use statement is a useful means to check the reliability of the end-user/consignee and you can use the information to determine if an authorisation is required for non-listed dual-use items where there are stated end-use concerns. Do you have internal processes in place, which allow you to be vigilant for diversion risk indicators and signs about suspicious enquiries or orders and to assess if the stated end-use is consistent with the activities and/or markets of the end-user.

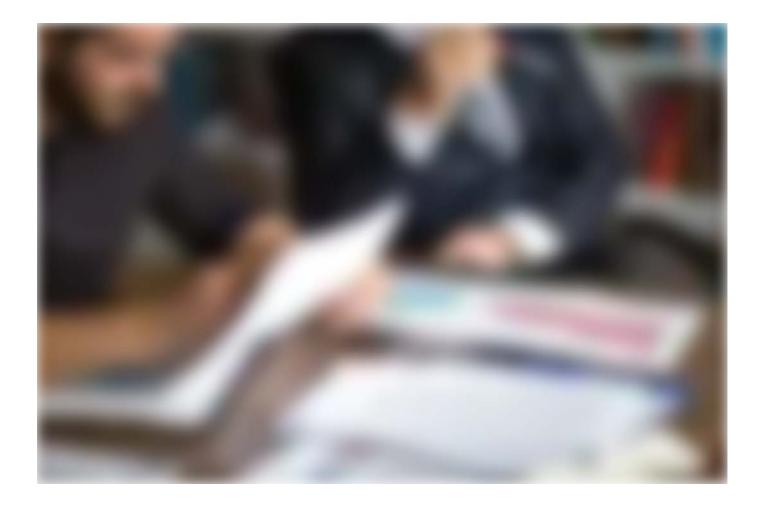### 'Catch-all' controls for non-listed dual-use items

Do you have already procedures in place to determine if your company is aware that there is information of concern about the stated end-use? If there is awareness, or grounds for suspecting, on your side, you must ensure that no export occurs without notifying the competent authority and without having received the competent authority's final decision. How have you designed

the procedures in place to ensure the swift flow of information and the immediate stop of the export, in cases where you have been informed by the competent authorities that there is information of concern about the stated end-use?

RespectUs is putting all tools in your hand and guiding the way

In our Customer Screening module, we have integrated a customer profile template, which you can use for all of your customers and end-users. Herein, you can document due diligence you have done on your clients, store know-your-customer and visit reports. It is the one place within a company where you centralising all information you have about a particular customer. It facilitates up-to-date and complete information finding at the time when you shipping your products or transferring technology or software. Our template already offers a set of relevant questions, but you may add other questions if you want. You can access your saved profiles, and edit them again when new information comes in.

The second part of this module is a name check. This tool allows you to check natural and legal persons against sanction lists. You may set your matching levels on your own, and install goods-guys- and white lists. You may search by name, address or birthdate. The report generated by the use of the tool is indicating if the person is subject to a restrictive measure, and describes the legal references of the listing. We are innovative in displaying the exact type and scope of any restrictive measure existing against the listed person. You may store your reports on the dashboard.

In brief, the RespectUs Customer Screening module is:

a customer profile template and name check tool:

- easy to use, with full functionalities
- helping to identify customers and prospects subject to restrictive measures in sanctions legislations
- designing the way to go to reach a fully complete customer profile for your clients
- fulfilling the criteria for an efficient customer profile and name check compliance tool
- documenting all your due diligence, know-your-customer and compliance measures performed on existing and future clients and end-users.

Test us. Challenge us. Give us feedback so that we can improve and design this module according to your specific needs.

Cheers,

For the RespectUs team,

Patrick Goergen, CEO

Next to come in this series:

D-7: End-use checks, a set of diversion and other risk indicators designed by RespectUs

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RespectUs

contact@respectus.space

+352 27 39 85 1

24, rue Léon Laval • L-3372 Leudelange • G.D. Luxembourg