

ADVISORY TO ALL PERSONS WHO MIGHT BE TRANSACTING BUSINESS WITH SANCTIONED INDIVIDUALS AND ENTITIES

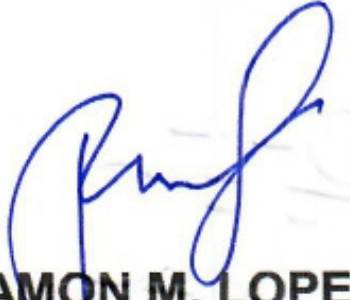
The Department of Trade and Industry advises all persons and businesses operating in the country, as well as Filipinos abroad, that are engaged in business transactions or intends to transact business with individuals and entities subject to United Nations sanctions and sanctions imposed unilaterally by other states to conduct enhanced due diligence when dealing with such individuals and entities. The UN Security Council has applied sanctions to support peaceful transitions, deter non-constitutional changes, constrain terrorism, protect human rights and promote non-proliferation of weapons of mass destruction. Several UN Member States have imposed unilateral sanctions as well on certain individuals and entities for reasons of national security and foreign policy.

The Strategic Trade Management Office (STMO) issued Memorandum Circular No. 20-13, adopting the United Nations Security Council (UNSC) Consolidated List of Individuals and Entities in the STMO's List of Prohibited End-Users, thereby prohibiting covered persons from engaging in any trade with the listed individuals and entities. Please refer to Annex I of this advisory.

The Department advises government agencies and businesses to update themselves of current multilateral and unilateral lists of sanctioned individuals and entities to avoid sanctionable activities. The conduct of due diligence includes checking the parties to the transactions, verifying end-use and end-users of commodities being traded, checking shipping routes, and validating payment arrangements, among others, to ensure that transactions conform with the requirements imposed by the United Nations Security Council and sanctioning states. Transactions that involve sanctioned individuals or entities other than those listed under the UNSC Consolidated Sanctions List must comply with applicable authorization requirements imposed by sanctioning states. Failure to comply with applicable authorization requirements may result to non-payment and legal liabilities. This may apply to contracts or transactions executed by government agencies and businesses after its issuance.

Attached as Annex II are some of the websites containing the list of sanctioned persons and entities.

If you need additional information, please email the STMO for advice at stmo@dti.gov.ph.



RAMON M. LOPEZ
Secretary *on*