

Promoting Norwegian export



Governmental export financing

Export Finance Norway (Eksfin) is a governmental financial enterprise established on 1 July 2021 through the merger of the Norwegian Export Credit Guarantee Agency (GIEK) and Export Credit Norway. Our mission is to ensure that Norwegian export industries are financially competitive abroad. Eksfin falls under the Norwegian Ministry of Trade, Industry and Fisheries.



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Know your Customer

Involvement in corruption, money laundering, terrorist financing and violation of sanctions undermines lawful business activity, leads to a distortion of competition, destroys reputations, exposes companies and individuals to risk and can result in large financial losses.

«Know-your-Customer» («KYC») checks are one of the most important tools to prevent and detect such crimes and are therefore subject to great focus in Export Finance Norway's transactions. We encourage exporters, customers, and partners to have the same focus.

In this brochure, we have listed some «red flags» one should pay particular attention to while conducting business abroad. These red flags do not mean that one should automatically avoid the transaction, but they require extra caution, enhanced due diligence and certain precautionary measures.

Customer

- ▶ Is the customer reluctant to provide information or documentation on beneficial owners?
- ▶ Is there little or no information, or alternatively negative information, available on the company online?
- ▶ Is the contracting party registered in an unexpected jurisdiction or with an unexpected name?
- ▶ Have there been previous allegations or cases of corruption?
- ▶ Is there information that implies that the customer is a shell company or letterbox company?
- ▶ Is the customer listed on a sanctions list?
- ▶ Is the company/group structure extraordinarily complicated?
- ▶ Does the company lack a compliance system or ethical code of conduct?
- ▶ Are any of the owners public officials or close family members of public officials?
- ▶ Has the contracting party been cooperative in the due diligence process?

Transaction

- ▶ Is the transaction taking place in a high-risk country for corruption e.g. according to Transparency International's Corruption Perceptions Index?
- ▶ Is there an unusual or complicated transaction structure?
- ▶ Is there anything unusual about the communication or correspondence?
- ▶ Is the customer requesting secrecy?
- ▶ Is there lack of documentation?
- ▶ Are there objections to including provisions on compliance with anti-corruption laws or other legislation in the contract?
- ▶ Have you received unusual or suspicious payment requests? E.g. is the other party requesting to speed up the process or to avoid bureaucratic formalities?
- ▶ Is there a request for unusually large fees?
- ▶ Are public authorities involved or does the project require public licenses?
- ▶ Has there been a public procurement process and if so, has it been transparent?
- ▶ Have there been any requests for donations or support to local projects?
- ▶ Is the level of hospitality or gifts excessive?

Third parties

- ▶ Are agents/intermediaries involved?
- ▶ Is the purpose of the involvement of the third party unclear or is their service not clearly defined?
- ▶ Do they have a tie (family, previous employment) to the customer?
- ▶ Have you been requested to use specific local suppliers or subcontractors?
- ▶ Are there parties involved who do not have a clear commercial role, who are not normally involved in these types of projects, or who do not seem to have relevant competence?
- ▶ Are there any suspicious circumstances relating to compensation?