



ISSUE 02 · 30 SEPT 2026

The Compliance Bridge

A weekly briefing on the regulatory developments shaping compliance across Lebanon, the Gulf and beyond.

THIS WEEK'S DEVELOPMENTS

01 FinCEN Proposes Cutting Banque Misr UAE's US Bank Access

On 28 August 2026, FinCEN issued a notice of proposed rulemaking under Section 311 of the USA PATRIOT Act designating Banque Misr's UAE operations as a financial institution of primary money laundering concern, published in the Federal Register on 1 September 2026. The proposal, part of Operation Economic Outcast, would bar U.S. banks from holding correspondent accounts for Banque Misr UAE and require enhanced due diligence against its indirect use of U.S. channels – it does not extend to Banque Misr's operations elsewhere.

Implication: UAE based banks and their correspondent counterparties should review any exposure to Banque Misr UAE now, since a final rule would sever a widely used correspondent channel and could prompt de-risking ahead of its effective date.

Source: FinCEN, Notice of Proposed Rulemaking, 28 August 2026; Federal Register, 1 September 2026

02 Russia and China Veto Renewal of UN Iran Sanctions Monitor

On 17 September 2026, Russia and China vetoed a U.S. sponsored UN Security Council resolution to extend the mandate of the independent panel monitoring compliance with UN sanctions on Iran, which drew 11 votes in favor against two opposed and two abstentions. The Council's Iran sanctions committee has been unable to reconstitute the panel or appoint a chair for over nine months amid an unresolved dispute over the validity of the 2025 snapback of UN sanctions on Iran.

Implication: With no independent UN mechanism left to investigate Iran sanctions breaches, institutions relying on panel findings for enhanced due diligence should shift to national regulator guidance and commercial sanctions intelligence instead.

Source: UN Security Council vote, 17 September 2026, as reported by The National and Al Jazeera

03 UK Sectoral Iran Sanctions Take Effect 29 September

The UK's Iran (Sanctions) (Amendment) Regulations 2026, notified to exporters on 8 September 2026, take effect on 29 September 2026 and expand restrictions across energy, petrochemicals, natural gas, precious metals, maritime technology and financial services, including bans on loans, insurance and dealings in Iranian sovereign bonds. The amendments also bar Iranian cargo aircraft from landing in the UK and update dual-use and nuclear related goods schedules in line with IAEA definitions.

Implication: Institutions and trading counterparties across the GCC with UK linked correspondent, shipping or insurance exposure should confirm their Iran sanctions screening captures the newly restricted goods before the 29 September effective date.

Source: UK Department for Business and Trade, Notice to Exporters 2026/18, 8 September 2026

04 OFAC Sanctions Iranian Crypto Exchange Over IRGC Bitcoin Flows

On 17 September 2026, OFAC designated Iranian digital asset exchange BitBank, its developer Pishtaz Simorgh Electronic Trade Company, and three linked individuals under Operation Economic Outcast, citing their role in a network run by previously designated financier Babak Zanjani. Treasury stated that between June and July 2026 the network used BitBank to move hundreds of millions of dollars in Bitcoin to Iran's Islamic Revolutionary Guard Corps.

Implication: Virtual asset service providers and banks offering crypto on-ramp or off-ramp services should screen counterparties against this designation immediately and treat Iran linked digital asset flows as a heightened typology.

Source: U.S. Department of the Treasury, press release, 17 September 2026

LOOKING AHEAD KCG is quietly developing a new initiative in compliance technology. Details will follow in a future issue – subscribers will be the first to know.



When you call, a founder answers.

Reply to this newsletter to speak with us directly, or visit khalifehconsulting.com.

The Compliance Bridge is prepared weekly by Khalifeh Consulting Group for general informational purposes only. It does not constitute legal, regulatory or compliance advice, should not be relied upon as a substitute for independent professional advice, and its circulation does not create an advisory relationship between KCG and the reader. Regulatory developments summarized here reflect information available as of the date of publication and may change without notice. While prepared with care, KCG makes no warranty as to completeness or accuracy and accepts no liability for actions taken in reliance on this content.

© 2026 Khalifeh Consulting Group. All rights reserved.