

TEMPLATE-FIA COMPLIANCE PROGRAM/POLICY IN TERMS OF THE FINANCIAL INTELLIGENCE ACT, 2012 (ACT NO.13 of 2012) AS AMENDED

NAME OF THE NPO.....

A. INTRODUCTION

NPOs, including Faith Based Organisations (FBOs) are required to develop, adopt and implement the FIA compliance program [see FIA sections 39(3,4,5 &7)].

A FIA Compliance Program is a document(s) that explains how the institution intents to comply with the obligations described in the law. It is also the guiding and principle document(s) that an NPO should have in place to direct the operations of the company to ensure the mitigation of Money Laundering (ML), Terrorist Financing (TF) AND Proliferation Financing (PF) risks.

Note that this is a guidance document, availing minimum guidance of what the compliance framework of an NPO should include. NPOs are encouraged to consider implementing additional controls that ensure effective mitigation of risks they may be exposed to.

Note that the term Faith Based Organisation (FBOs) used herein includes all faith based organisations such as Churches, mosques, and any other religious equivalents.

B. PURPOSE OF THE NPO: (Please describe the main activities of the FBO or NPO below)

C. ENTITY INFORMATION ON FIA COMPLIANCE

1. Organisation's legal form (if registered, please attach copy of registration documents, if any)

□ Close Corporation □ PTY (Ltd) □ Sole Proprietor □ Partnership □ Other

If registered, please avail Registration Number.....

2. Ownership structure: Names of **<u>owners</u>** of the NPO and donors of the organisation, and/or FBO leaders, wardens, or beneficial owners, etc.

a. b. c. d

d.

3. Managers, NPO/FBO leaders, directors, Promoters: Names of NPO/FBO leaders, directors, managers, promoters of the NPO/FBO:

a.	
b.	
C.	
d.	

D. IDENTIFICATION OF DONORS AND BENEFICIAL OWNERS

NPOs/FBOs are required to implement internal operational controls to maintain adequate identification information of all donors and beneficial owners (Section 21&22 of FIA).

The below information is the minimum required information to be obtained from donors when an NPO/FBO receives or disburses funds from a donor and beneficial owners, if such funds are in excess of NAD 5,000.00 per person:

- 1. Full Names of individuals/Companies (for natural persons, obtain ID copies and for entities, obtain registration/incorporation documents);
- 2. Local /Foreign Donor;
- 3. Residential address information/Business address;
- 4. Contact details;
- 5. Occupation/Source of income/Nature/Type of business activities; and
- 6. Source/origin of funds involved in the transaction being proposed or concluded with the

NPOFBO.

Please document below how your organisation identifies or intends to identify donors and beneficial owners,¹ as well as the type of documents the organisation will obtain from such donors and beneficial owners.

E. ACCOUNTING FOR FUNDS

NPOs/FBOs are required to have appropriate controls in place to ensure that all funds are fully accounted for, and are used in a manner that is consistent with the stated activities, purpose and objective(s) of the FBOs/NPOs (FIA section 24)

Please describe the process followed within the NPO/FBO to ensure you account for funds used or spend. Briefly describe the accounting or record keeping.

¹ A beneficial owner is any natural person who owns or controls (directly or indirectly) 20% or more of the shares or voting rights in a company, or controls the company by other means, i.e., managing director, chief executive officer, etc.

F. SANCTIONS SCREENING

NPOs/FBOs are required² to screen the names of all donors and beneficial owners against the United Nations Security Council (UNSC) sanctions lists for purposes of combatting the financing of Terrorism and the funding of Proliferation activities.

- 1. The screening should be conducted before any funds are received or disbursed (by donors).
- 2. Documentary evidence (print out of such results) of the screening performed must be maintained, in hard or soft copies.
- 3. If there is a match between the names on sanctions lists with that of donors or persons associated with the FBO/NPO in one way or the other, ensure to report such within 24 hours to the FIC. The FIC has developed a screening tool to assist NPOs/FBOs and other organisations to enable compliance with this obligation.

Such tool can be accessed at the link below and used to ensure compliance with this section: <u>https://www.fic.na/goaml/Home</u>.

Please detail the process that your organisation will employ to ensure that sanction screening against the UNSC sanction lists is complied with. The above referenced FIC tool can be considered for screening purposes if there are no other alternatives available.

G. RECORD KEEPING

² FIA section 24, FIA Regulations 1, 15 and section 25 of the Prevention and Combating of Terrorist and Proliferation Activities Act, 2014 (Act No. 4 of 2014) as amended.

NPOs/FBOs are required³ to keep, for a period of five years:

- 1. records of all financial transactions including domestic and international funds transfers;
- records of all identification and other details of the donors and beneficial owners; and
- information on the activities, purpose and objective(s) of the NPO/FBO (section 27).

It is important that such records should be adequate to assist in the verification that funds were received or used to advance the objectives of the NPO/FBO (intended purpose) (section 23 and 24).

Further, such records should be detailed enough to enable reconstruction of transactions by competent authorities. This information should be available for viewing by competent authorities.

NPOs/FBOs are required to document below how it will comply with this requirement.

H. REPORTING UNUSUAL AND/OR SUSPICIOUS ACTIVITIES AND TRANSACTIONS

³ Section 26 & 27of the FIA.

NPOs/FBOs are required⁴ to detect and report suspicious activities which are not in line with the known or expected profile of the donor or beneficial owner. Such activities and transactions should be reported to the FIC via its website within 15 days of detection.

Please document below the process the NPO/FBO will follow to ensure detection and reporting takes place.

I. DETAILS OF THE COMPLIANCE OFFICER OF THE NPO/FBO

NPOs/FBOs are expected to appoint or assign the duties of a compliance officer to one of its leaders in terms of the FIA. This section requires information pertaining to such compliance officer.

J. SENIOR MANAGEMENT APPROVAL

⁴ Section 24 and 33 of the FIA.

NAME:....

SIGNATURE:.....

DISCLAIMER:

The information contained herein is not necessarily final, nor a complete reflection of all FIA compliance expectations for NPOs. This is a guiding document informed by the FIA and FIC observations from current engagements with NPOs, the ongoing National Risk Assessment, international best practices etc. Where need be, contents herein might change as per ongoing engagements with the NPO sector. This document is thus a framework which helps the FIC and the NPO sector find each other in creating a path to compliance. NPOs should ensure that the controls they implement are responsive to their risk exposure.