



The Movement for Community-led Development US Counter-Terrorism and Money Laundering Policy

Adopted by the Board, January 6, 2024

Purpose:

The purpose of this guideline is to define and prevent any involvement in Terrorism Financing and Money Laundering (TFML). It also sets out the minimum procedures to use where there is any suspicion that any individual/s or entity is involved in TFML. This guideline should be read in conjunction with the Movement for Community-led Development US (*MCLD US*) *Financial Integrity Policy*.

Policy:

MCLD US staff will adhere to and conduct the screening and certification processes related to Anti-Terrorism compliance set forth by MCLD US.

Scope:

All MCLD US Affiliated and Associated Persons are responsible for implementing this guideline and must follow the relevant procedures mentioned below. MCLD US must ensure that all employees or partners are not directly or indirectly utilizing assets or implementing activities to support criminal purposes or to launder money.

Prohibited Activities:

Money laundering offenses:

- Become involved in any arrangement that would facilitate the acquisition, use or control of the proceeds of crime
- Conceal, disguise, convert, transfer or remove the proceeds of a crime
- Prejudice a money laundering investigation in respect of another person (for example, by releasing information or concealing relevant documents)

Terrorism offenses:

- Fundraise, receive or provide funds for the purpose of terrorism
- Become involved in any arrangement to make funds available for the purpose of terrorism
- Facilitate the laundering of terrorist funds or other property
- Be a member of a proscribed/terrorist/banned organization¹

¹ A proscribed/terrorist/banned organization is identified as an organization listed by the US Government, the governments of funders or the government of the MCLD National Associations as committing, promoting or participating in acts of terrorism.

- Prejudice a terrorism investigation in respect of another person (for example, by releasing information or concealing relevant documents)
- Arrange a meeting to encourage support for a proscribed organization¹
- Make funds or economic resources available to a designated person. A designated person is a person or entity which has been designated by the US Government, the governments of funders or the government of the MCLD National Associations because there are reasonable factors to suspect that they are or have been involved in terrorist activity, or are owned, controlled or acting on behalf of someone who is or has been so involved.
- Deal with funds or economic resources owned, held or controlled by a designated person
- Fail to report a suspicion of terrorist financing

Internal Transparency and Accountability of Money Movements:

The internal transparency and accountability of money movements are fundamental to the prevention of TFML in non profit organizations, particularly in the following areas:

- Collection of resources
- Retention of resources
- Transfer of resources
- Expenditure of resources
- Delivery of programs

The Movement for Community-led Development US's Financial Integrity Policy is designed to ensure strong practices in the above areas. The annual review of the Financial Integrity Policy will include a review of TFML prevention practices.

Anti-Terrorism Screening Procedure:

The below minimum procedures are required:

1. The Movement for Community-led Development US performs vetting checks prior to engaging with any new third parties or new employees. This vetting includes the following parties: (1) all banks and medical suppliers (suppliers of pharmaceuticals, medicines, lab grade consumables and medical devices); (2) all other suppliers (including consultants) and distributors providing goods or services amounting to \$5000 and above in value; (3) all employees; and (4) all sub-recipients. Vetting checks are conducted against the standard US and international lists of known terrorists and terrorist entities: The US Department of the Treasury's Office of Foreign Assets Control Specially Designated Nationals and Blocked Persons List, The US State Department's Individuals and Entities Designated by the State Department Under E.O. 13224, the OFAC Sanctions List; the United Nations Consolidated Sanctions List of Individuals and Entities; and The Consolidated List of Financial Sanctions Targets in the UK.

Links to the lists referenced above:

- <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>
- <https://www.state.gov/executive-order-13224/#state>
- <https://www.state.gov/foreign-terrorist-organizations/>
- <https://sanctionssearch.ofac.treas.gov/>

- <https://www.un.org/securitycouncil/content/un-sc-consolidated-list>
- <https://www.gov.uk/government/publications/proscribed-terror-groups-or-organisations--2/proscribed-terrorist-groups-or-organisations-accessible-version>
- http://www.hm-treasury.gov.uk/fin_sanctions_index.htm
- <https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets>

2. The Movement for Community-led Development US addresses adverse findings and serious findings as described here.
 - Adverse Vetting Checks Findings: Where vetting results appear in criminal or financial sanction lists, on a funder's list of proscribed organizations, has received adverse media or refused to sign or provide information in the vendor forms or pre-award surveys; the decision whether to enter into a commercial relationship should be referred to the Country Coordinator in the case of a National Association or the ED in the case of MCLD US.
 - Serious Findings: if results show potential contractors or vendors are involved in money-laundering or terrorist activities, MCLD US will not enter into any new relationship with the entity or individual, and the ED will be notified of the adverse result. For funding where there are National Associations involved, they will be informed at the same time as the ED.
 - The Movement for Community-led Development US informs the funder about the case when the investigation is completed.
 - The Movement for Community-led Development US records and documents decisions in order to demonstrate that the persons involved in the decision-making process have acted responsibly and have given due consideration to any risks.

High Risk Areas

When MCLD US programs are delivered in regions identified as high risk for terrorist activities or financing of terrorism, the relevant MCLD National Association will work in partnership and close collaboration with our community partners to assess the risk of MCLD US funds being misdirected for the purpose of terrorism financing, and take steps to reduce such the risks. Mitigation steps may include the promotion of stability, opportunity, social cohesion and inclusion through the delivery of our development programs. These mitigation steps will be recorded.