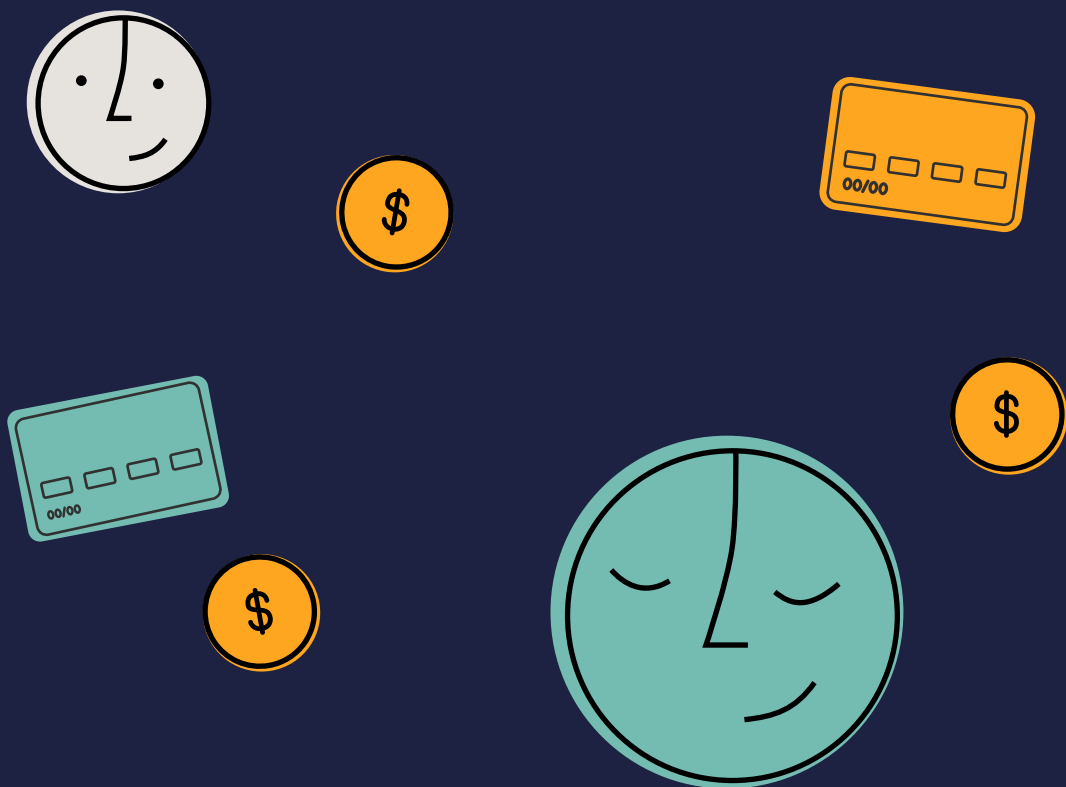




Life for African Mothers

Financial Sanctions Policy



Document Control Sheet

Approved documents are valid for use after their approval date and remain in force beyond any expiry of their review date until a new version is available.

Name of document: Ref Number: Version:	
Date of this version: Produced by:	
Date of Review	
Date of this version: Produced by:	
Evidence base:	
Who is it aimed at and which settings?	

Financial Sanctions Policy March 2024

This Policy has been prepared and reviewed by the LFAB Board of Trustees

N/A

All volunteers in all settings

What is it for?	This document is intended for all LFAM Volunteers, Trustees and Board members and anyone associated with LFAM, whether in the UK or LFAM's partner country and in any capacity.
References:	https://www.gov.uk/government/collections/financial-sanctions-regime-specific-consolidated-lists-and-releases https://assets.publishing.service.gov.uk/media/65df48cbcf7eb16adff57f6f/UK_Sanctions_List.odt



https://assets.publishing.service.gov.uk/media/65ca08a814b83c000ea716b2/Financial_sanctions_guidance_for_charities.pdf

Monitoring and Evaluation:

This policy will be monitored and reviewed for effectiveness by the Board of LFAM

Training and competences	Training will be evidenced by signing of the Policy
Reviewed by:	
Date	
Approved by:	LFAM Board Trustees
Date Approved	March 2024
Signed on behalf of LFAM	<i>Angela Gorman</i>
Position Held	Angela Gorman. CEO
Signed on behalf of LFAM	<i>SAPyrah-Barnes</i>
Position Held	Sally-Ann Pyrah-Barnes. Secretary
Release date	April 2024
Review Date	April 2026

Introduction

This Sanctions Policy is designed to ensure we comply with applicable sanctions laws

What are Sanctions?

Sanctions are restrictions on activity with targeted countries, governments, entities, individuals and industries ('targets') that are imposed by bodies such as the United Nations (UN), the European Union (EU), individual countries or groups of countries.

The Law

Breaching a sanctions regime can constitute an offence under the Terrorist Asset-Freezing etc. Act 2010 (TAFA 2010). Other sanctions laws may also apply.

We must not:

- Deal with funds or economic resources owned, held or controlled by a target (or where we know or have reasonable grounds to suspect that a target is holding or controlling those funds or economic resources)
- Make funds, financial services or economic resources available, directly or indirectly to targets
- Make funds, financial services or economic resources available, directly or indirectly for the benefit of targets
- Knowingly and intentionally participate in activities that would directly or indirectly circumvent the financial restrictions imposed by the sanctions regime or enable or facilitate the commission of any of the above

Breaching a sanctions regime carries heavy criminal penalties: up to seven years' imprisonment, a fine or both.

UK Gov Specific Advice

1. Financial Sanctions: Charities and NGOs

Charities and NGOs must comply with financial sanctions. It is a criminal offence to breach financial sanctions. This applies to all charities and NGOs, including individual members of staff, regardless of whether they are government-funded.



However, charities and NGOs can:

- rely on exceptions in the law which permit certain activities or
- apply for a licence to work with or through a sanctioned individual or organization

2. Cash couriering: Charity Commission Guidance

The Commission advises to only make cash payments in exceptional circumstances, given the greater risks of doing this.

As well as the risk to the personal security of staff, there is the risk of cash being:

- diverted to sanctioned individuals or organisations
- used to fund terrorist or corrupt activity.



Sanctions v Anti-Money Laundering (AML)

The sanctions regime is **not** the same as the AML regime.

The table below contains some important points to note:

Sanctions Regime	AML Regime
Prevents the use of all financial resources by or for the benefit of a designated person, entity or regime (the target); it is irrelevant that the funds and purpose of the transaction are legal.	Aimed at disrupting the flow of criminal property, i.e. property that constitutes or represents a person's benefit from criminal conduct.
Requires a licence from the Financial Sanctions team to deal with a transaction involving a target (see Our procedures below). Consent from the National Crime Agency (NCA) is not sufficient (and may not be required if there is no criminal property involved).	Requires consent from NCA.
No tipping-off offences relating to sanctions compliance — the lists of designated persons, entities and regimes are public documents.	You can commit a tipping-off offence — see our Anti-money laundering and counter-terrorist financing policy.
No distinction between regulated and non-regulated sectors or activities — the sanctions regime applies to all organisation and all services.	Some aspects of the AML regime are limited to regulated sector/regulated activities.

A licence from the Office of Financial Sanctions Implementation (OFSI) may be required to proceed, and consent from NCA if you know or suspect (i) the funds represent criminal property or the matter involves terrorist financing **and** (ii) the matter involves a target.

It is important to remember that there is no distinction in the sanctions regime between regulated and non regulated sectors or activities. The sanctions regime applies to all the services we offer.



Responsibility for the Sanctions Policy

The Nominated Officer, [enter name here] has overall responsibility for this policy. They are responsible for ensuring this policy is adhered to by all staff.

The **Nominated Officer**, [enter name here] is responsible for maintaining a register of all reports they receive under this policy (see below: **What to do if you think there is a match** below).

UK Arms Embargoes

Sanctions and embargoes can be rapidly set and lifted in response to changing global events. It is important to regularly review and assess which countries are currently under sanctions. Depending on the goods to be exported, such as arms or dual - use goods, different sanctions and export controls may apply.

Check the UK government website for the latest list of embargoed countries.

<https://www.gov.uk/guidance/current-arms-embargoes-and-other-restrictions>

UK Financial Sanctions

Financial sanctions relating to a specific country or terrorist group are known as regimes. They have specific regulations and various forms of conduct is prohibited depending on the particular regulations. Regulations are imposed by the UN Security Council, European Union, and a small number by the UK.

Check the [UK government website](#) for the latest list of financially sanctioned countries.



Risk Assessment

We aim to ensure our Sanctions Policy and procedures are proportionate to the risks we face.

We have performed a company - wide assessment of the risk of being exposed to persons subject to sanctions. This Sanctions Policy and the procedures contained below have been developed in response to the results of that risk assessment. Where necessary we will review our risk assessment and make appropriate changes to this policy.

Our Procedures

Screening Clients

We screen all clients either from those countries on the UK sanctions list or with links to them.

We conduct screening **before** we:

- (a) Undertake any work for or on behalf of the individual or entity, or
- (b) Receive or transfer any funds to, from or on behalf of the individual or entity
- (c) Routinely– every 6 months and whenever we become aware that a target has been added or removed from the sanctions lists

Screening Others

In addition to screening our clients, we follow the above screening procedures for:

- (a) Directors and beneficial owners of corporate clients
- (b) Intended recipients of funds in transactional and litigation matters, where we have reason to believe that they may be subject to sanctions



What to do if you think there is a match

Any potential match identified through our screening process must be properly investigated before we can take any further steps.

You are responsible for reporting any potential matches immediately to the CEO/Financial Officer/Treasurer

The **Nominated Officer** will investigate whether there is an actual match.

The result of that investigation may be that we:

- (a) Seek guidance from HM Treasury
- (b) Ask an external party to investigate whether the person or entity we are dealing with is in fact a target

Where there is a positive match against the sanctions lists:

- (i) Decline to act
- (ii) Cease to act
- (iii) Inform HM Treasury as necessary

It is not for you to decide whether there is a positive match and if so, whether we should act. Your responsibility is simply to complete the Sanctions Report Form and submit it to the CEO/Financial Officer/Treasurer who will decide how to proceed.

Informing HM Treasury

TFA 2010, S 19 requires us to inform HM Treasury as soon as practicable if we know, or have reasonable cause to suspect, that a person who is or has been a client or a person with whom we have had dealings in the course of our business:

- (a) Is a target
- (b) Is a person acting for or on behalf of a target, or
- (c) has committed an offence under TFA 2010

The CEO/Financial Officer/Treasurer is responsible for providing information to HM Treasury.



Reporting Concerns

Where you are concerned that:

Your matter involves a target, or

Someone has committed an offence under a sanctions regime

You must raise your concern with the CEO/Financial Officer/Treasurer

If you believe the matter you are dealing with involves a sanctions issue and possible money laundering or terrorist financing issue you must raise the issue with the CEO/Financial Officer/Treasurer

Tipping Off

Remember, there are no tipping - off offences in the sanctions legislation - the lists of targets maintained by HM Treasury are public documents.

We will not therefore commit an offence if we tell our client that we will not act for them because they are on the sanctions list.

The CEO/Financial Officer will advise you on communicating with the client in the event that a sanctions issue is raised.

Monitoring and Review

Compliance with this policy will be continually monitored.

We will review this policy at least annually as part of our overall risk management process.

We will also review this policy if:

There are any major changes in the law or practice

We identify or are alerted to a weakness in the policy

There are changes in the nature of our business, our clients or other changes which impact on this policy

Consequences of Non-Compliance

Failure to comply puts both you and LFAM at risk.

The Charity may commit a criminal offence if we fail to comply with this policy. The law relating to sanctions carries severe penalties.



We take compliance with this policy very seriously and because of the importance of this policy, failure to comply with any requirement may lead to disciplinary action under our procedures, which may result in dismissal.

If you have any questions or concerns about anything in this policy, do not hesitate to contact the CEO/Financial Officer/Treasurer

UK Gov Current Sanctions List. (**subject to change at anytime)

- Individual Person List
- Individual Country List such as (** list is not exhaustive)

1. Syria
2. Russia
3. Afghanistan
4. Belarus
5. Burundi
6. North Korea
7. Haiti
8. Iran
9. Iraq
- 10.Libya
- 11.Myanmar
- 12.Nicuragua
- 13.Sudan
- 14.Venezuela
- 15.Yemen
- 16.Zimbabwe
- 17.Democratic Republic of Congo
18. Central African Republic



CHANGE RECORD

Date of Change:	Changed By:	Comments:
Version 1 March 2024	Trustees	

