



OXFAM

OXFAM NOVIB

**ANTI-TERRORISM FINANCING &
SANCTIONS POLICY**

-

PARTNERS & SUPPLIERS

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1. INTRODUCTION

This document is the 'Anti-Terrorism Financing & Sanctions Policy' (hereafter: 'ATF/Sanctions Policy' or 'this Policy'), in which Oxfam Novib (hereafter: 'ONL') describes the basic principles for conducting ATF/Sanctions screening of Partners and Suppliers.

1.1 Why is this Policy important

The main objective of this Policy is to help prevent ONL's funds from being subject to illicit use by any third party or (ab)used for any illicit purpose. ONL is strongly committed that all its funds and resources should only be used to further its mission while staying within the boundaries of legislation.¹

As a non-profit organization (hereafter: 'NPO') based in the Netherlands, ONL is required to adhere to Dutch, European and international laws, regulations and standards about ATF and Sanctions. These laws and regulations are monitored by Dutch regulatory and oversight mechanisms (e.g. National Coordinator for Security and Counterterrorism, Fiscal Information and Investigation Service et cetera²) as well as European and international institutions (e.g. Council of the European Union, United Nations Security Council, et cetera).

In addition, ONL has committed to adhere to national standards for the Dutch NPO sector (e.g. ANBI, CBF, ISO-9001/PARTOS et cetera).³ This entitles ONL to specific NPO benefits and to guarantee a high level of quality. These standards also subject ONL to monitoring from these NPO bodies (e.g. Dutch Tax Authority, CBF, ISO-9001/PARTOS auditors et cetera).

Furthermore, ONL complies with transparent and objectifiable bank standards based on ATF/Sanctions laws and regulations in order to access banking and financial services. Next to this, ONL may agree to additional contractual obligations from/with counterparties (e.g. donors, investment funds et cetera) regarding ATF/Sanctions screenings of Partners and Suppliers. In principle, the provisions of Oxfam policies prevail over conflicting provisions of counterparties. Read more about this in paragraph 1.3 of this Policy.

¹ ONL's mission is described in ONL's Manifesto which can be found here: [DEF Manifesto 2030.pdf | Powered by Box](#)

² For information on the Dutch NPO regulatory playing field see Annex B 'Regulation of the NPO sector in the Netherlands at a glance'

³ [Charitable organisations in The Netherlands: overview | Practical Law \(thomsonreuters.com\)](#)

Above all, ONL is intrinsically motivated to uphold a high standard of integrity in every facet of its organization aligned with its values and pursuant to its mission. This is essential for Oxfam's worldwide operations and services around the globe.

1.2 Scope of this Policy

This Policy covers the ONL basic principles of conducting ATF/Sanctions screening of Partners and Suppliers prior to entering into contracts and during the duration of contracts. This document does not cover HR staff screening nor beneficiaries.⁴

The focus of this Policy, and as such the screenings described herein, is specifically on ATF and Sanctions risks. The 'Oxfam International Anti-Corruption Policy⁵' and 'Oxfam International Terrorism Financing and Financial Crime Policy⁶' are the overarching full-fledged policies regarding Fraud, Corruption, Anti-Money Laundering, Anti-Terrorism Financing, Sanctions and Export Control. This Policy must therefore be read in conjunction with these two Oxfam International (hereafter: 'OI') policies and the Oxfam Novib Aid Diversion procedure⁷.

This document only applies to ONL and the Country Offices (hereafter: 'COs') where ONL is Executing Affiliate (hereafter: 'EA'). Other EAs have their own ATF/Sanctions policies and procedures.

1.3 Compliance framework

The ONL Compliance framework applicable to ATF/Sanctions screening of Partners and Suppliers is pictured below. First of all, ONL adheres to the relevant (inter)national legislation.

Subsequently, ONL complies with transparent and objectifiable bank standards based on ATF/Sanctions laws and regulations, along with any deviating contractual provisions agreed with counterparties (e.g. donors, investment funds et cetera) regarding Partners and Suppliers screenings. In principle, contractual deviations from Oxfam policies are only valid if explicitly

⁴ For more information about staff screening please contact the ONL Human Resources unit or ONL EA Global Business Support unit (hereafter: 'EAGBS') from The Hague office.

⁵ [Oxfam International Anti-Corruption Policy](#)

⁶ [Oxfam International Terrorism Financing and Financial Crime Policy](#)

⁷ [Oxfam Novib Aid Diversion Procedure](#)

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agreed upon in advance and approved by the Manager from the ONL Compliance & Risk Support unit (hereafter: 'CORE') from The Hague office.⁸

Ultimately, the internal policies and procedures are applicable to ONL. This includes any implemented OI policies or procedures which have been endorsed by ONL's Board of Directors.

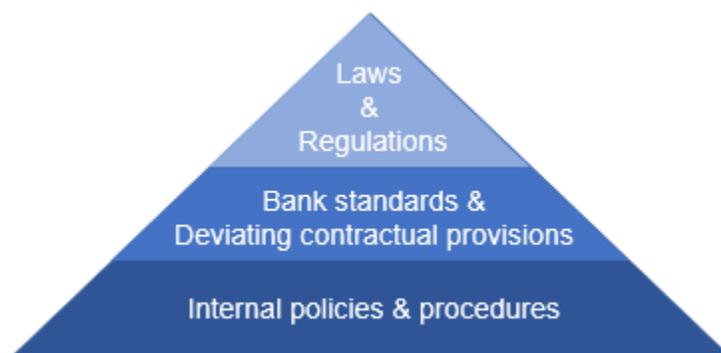


Figure 1: ONL Compliance framework regarding ATF/Sanctions screening of Partners and Suppliers

1.4 Risk profile

ONL (re)assesses its Compliance risk on a yearly basis. ONL declares a generally medium risk appetite, which means that the strategy for risk and specifically in this case the risk associated with Partners and Suppliers is to avoid and limit situations in which it is exposed to high risk based on a risk-based approach. ONL fully understands the risk it is accepting and has the measures in place to adequately mitigate the risk.

Exemption

ONL is exempted from Sanctions in the form of asset freezes imposed by the United Nations Security Council (hereafter: 'UNSC') or by its Sanctions Committees in case of humanitarian aid delivery, as per UNSC's Resolution 2664 (2022)⁹.

⁸ [ONL Sign-off Procedure](#)

⁹ [Resolution 2664 \(unscr.com\)](#): "The United Nations decides that [...] the provision, processing or payment of funds, other financial assets, or economic resources, or the provision of goods and services necessary to ensure the timely delivery of humanitarian assistance or to support other activities that support basic human needs by the United Nations [...] are permitted and are not a violation of the asset freezes imposed by this Council or its Sanctions Committees"

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2. ATF/SANCTIONS SCREENING

2.1 Risk-based approach

In line with the OI Terrorism Financing and Financial Crime Policy¹⁰ screenings are performed based on a risk-based approach. This means that Suppliers registered in the European Union are regarded as low-risk and are therefore excluded from screenings unless the circumstances indicate otherwise or explicitly indicated by the counterparty (i.e. deviating contractual provision, as described in paragraph 1.3). Other Oxfam affiliates are also exempted from screenings when they are acting in the capacity of a Partner or Supplier.

Following, all Suppliers registered in non-European Union countries as well as all Partners (irrespective of EU/non-EU registered) are regarded as a higher risk and are therefore subject to screenings.¹¹

2.2 Screenings

ONL performs ATF/Sanctions screenings of Partners and Suppliers prior to entering into contracts and during the duration of contracts. These two different types of screenings are called 'Pre-contract screening' and 'Periodic screening'. In addition, all new Partners are screened before the first payment is transferred. This type of screening is called 'Pre-transactions screening'.

2.2.1 Pre-contract screening

Partners

Before contracting a new potential Partner for a project, a PProject RiSk Management (hereafter: 'PRISMA') Pre-Risk Assessment (Template 1 - Stage 1) is performed to identify and assess any risks.¹² This is done by a PRISMA Lead together with a Specialist Finance from the ONL Project Management Support unit (hereafter: 'ProMt') from The Hague office.¹³

¹⁰ [Oxfam International Terrorism Financing and Financial Crime Policy](#)

¹¹ [Oxfam Novib Aid Diversion Procedure](#)

¹² Unless an exception applies as described in the PRISMA manual. PRISMA exceptions ought to be approved by a derogation according to [Oxfam Novib's Derogation process](#)

¹³ Oxfam Novib developed the PRISMA – PProject RiSk Management – approach to apply as part of responsible, mature and accountable project risk management in partnerships. This is the equivalent of a due diligence risk assessment, more specific, regarding Stage 1 different risks are assessed before contracting. More information about PRISMA can be found here: [PRISMA-manual-English-version.pdf | Powered by Box](#)

One of the risks of the PRISMA Pre-Risk Assessment is 'Terrorism financing'. In order to assess this risk, the PRISMA Lead requests the ONL Screening Officer (hereafter: 'Screening Officer') from the CORE unit to perform a screening of the new potential Partner. This must be formally requested as per instructions in the ONL Aid Diversion Procedure.¹⁴ The Screening Officer screens the potential Partner's organization name against International and European Sanctions Lists through WorldCheck One.¹⁵

Suppliers

The COs have the mandate and responsibility to perform pre-contract screenings of new potential Suppliers (including recording details of the Supplier in the Supplier database).¹⁶ For this purpose, the COs are allowed to use an equivalent software to WorldCheck One.¹⁷ If they are not able to carry out a screening themselves, the COs may request the Screening Officer to perform a screening through WorldCheck One on their behalf. This must be formally requested as per instructions in the ONL Aid Diversion Procedure.¹⁸

2.2.2 Pre-transaction screening

Partners

Before the first payment is transferred to a new Partner, the Screening Officer receives a request from the Financial Administration Officer from the ONL Finance, Quality & Control unit (hereafter: 'FQC') in The Hague to perform a pre-transaction screening. The Screening Officer screens both the legal name and the bank name¹⁹ of the Partner against International and European Sanctions Lists through WorldCheck One.

2.2.3 Periodic screening

Partners & Suppliers

During the duration of contracts, the existing Partners and Suppliers are screened on a quarterly basis by the Screening Officer against International and European Sanctions lists through

¹⁴ Following Oxfam Novib Aid Diversion Procedure, formal screening requests are sent to the ONL Screening Aid Diversion mailbox: aiddiversion@oxfamnovib.nl

¹⁵ [Oxfam Novib Aid Diversion Procedure](#)

¹⁶ [Oxfam Sustainable Supply Policy - ONL Approved](#)

¹⁷ [Oxfam International Terrorism Financing and Financial Crime Policy](#)

¹⁸ Following Oxfam Novib Aid Diversion Procedure, formal screening requests are sent to the ONL Screening Aid Diversion mailbox: aiddiversion@oxfamnovib.nl

¹⁹ Both the legal name and the bank details of the Partner are documented in the [Adobe Counterpart form](#) Oxfam Novib Anti-Terrorism Financing & Sanctions Policy

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WorldCheck One. The results from the quarterly monitoring screenings (“Oxfam Novib Aid Diversion Screening Reports”) are shared after each quarter by the Screening Officer and the CORE Manager with the Country Directors, the Board of Directors and OI’s Risk and Assurance team.

In some cases, when a counterparty has an additional requirement (i.e. a deviating contractual provision, as mentioned in paragraph 1.3), the Screening Officer may perform additional screenings (e.g. screenings of Partner’s Executive(s), Ultimate Beneficial Owner(s)²⁰ et cetera), if requested.

Furthermore, when an existing Partner changes the bank account to another bank, the Screening Officer receives a request from the Financial Administration Officer to carry out a screening of the new bank before any new transactions occur.²¹

More details about the pre-contract, pre-transaction and periodic screening processes can be found in the ‘Oxfam Novib Aid-diversion Procedure’²².

2.3 True match

When there is a true match an assessment is carried out regarding the relevant (potential or existing) Partner or Supplier. A true match means that the exact same entity/person screened is found on one or more Sanctions Lists through the use of WorldCheck One (or an equivalent software, if applicable)²³. This assessment is performed by a Committee. The Committee is organized by the CORE Manager and consists of at least the CORE Manager, the respective OI Country Director, and a BoD member. The Committee assesses and decides whether to continue working with or stop the relation with the Partner or Supplier. In the meantime, any payments or contract negotiations are put on hold until final decision is reached. The CORE Manager will inform and report the result to the relevant stakeholders such as donors and authorities, when applicable.

At the request of the Committee, the Integrity Unit can be contacted to perform an open-source intelligence (OSINT) search, or any other technique the Unit considers relevant for the scope at

²⁰ Ultimate Beneficial Owner (hereafter: ‘UBO’) is not to be confused with ‘beneficiaries’. For the definition of UBO please read Annex A ‘Definitions’.

²¹ Find more information in the [Adobe Counterpart form](#)

²² [Oxfam Novib Aid Diversion Procedure](#)

²³ [Oxfam Novib Aid Diversion Procedure](#)

hand. Their involvement as an (optional) information-gatherer ensures, *inter alia*, that the Committee has enough information in performing their assessment.²⁴ The role of the Unit, for the scope of the section, does not extend to the assessment but is limited to answering the query at hand.²⁵

More information about the above can be found in the 'Oxfam Novib Aid-diversion Procedure'²⁶.

3. RESPONSIBILITIES AND OWNING UNIT

The CORE team is the owning business unit of this Policy. This unit is the internal ONL supervisory body with respect to this Policy and relating topics.

The Country Office Logistics teams are responsible and accountable for the pre-contract screening process of Suppliers. Additionally, it is the CO's responsibility to add timely and accurate Supplier data in the Supplier database system, which is required for periodic screenings. The CORE unit is responsible and accountable for all other screening related processes regarding Partners and Suppliers mentioned in this Policy.

The CORE Manager will be consulted about any deviations or amendments to this Policy. In the event of any deviations or amendments regarding specifically Suppliers, the ONL EAGBS Supply & Logistics team will be consulted as well. Any amendments to this document or deviations from this Policy are only allowed on the basis of prior consent given by the Board of Directors.

The Board of Directors shall be informed about all Policy decisions. The Board of Directors shall inform the Board of Supervisors in accordance with Oxfam Novib's Constitution, if required.

²⁴ The Committee has the competence to decide on the appropriate situation in which the Integrity Unit can be contacted.

²⁵ The Committee has the competence to request advice from other Units, depending on the needs the context demands.

²⁶ [Oxfam Novib Aid Diversion Procedure](#)

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RACI-model

Roles and responsibilities with regard to the daily operations and the follow-up of this policy:

Unit	Responsible	Accountable	Consulted	Informed
CORE + Country Office Logistics teams	x			
CORE + Country Office Logistics teams		x		
CORE + EAGBS Supply & Logistics			x	
Board of Directors				x

4. AUDIT

ONL's Internal Audit ensures that this Policy and the operational follow-up thereof is subject to a periodic audit.

5. VERSION MANAGEMENT

Description	Version	Date	Author
Initial Draft	0.1	May 2023	FQC
Final Draft	0.9	June 2024	CORE + EAGBS Supply & Logistics + Legal Unit
Final Approval	1.0	3 rd July 2024	Board of Directors

ANNEX A: DEFINITIONS

Term	Definition
Counterpart	For the purpose of this Policy a Counterpart is a third party such as a donor or investment fund from whom ONL receives funds or ONL invests in and with whom stipulations in agreements concern ATF/Sanctions screening of Partners or Suppliers.
Executing Affiliate	Part of the Oxfam 2020 operating model (also known as the OI-EA-PA model). On behalf of the Oxfam confederation, the Executing Affiliate will provide all the necessary legal commitments, operational services, management support and systems to enable Oxfam to deliver an effective program in each country. Oxfam Novib is an Executing Affiliate.
Oxfam Project Agreement	Agreement used when a Partner Affiliate makes a contribution of funds for delivery of project activities.
Partners	Any organization funded by Oxfam Novib at the program, project, advocacy initiative, campaign or institutional level.
PRoject RISK Management (PRISMA)	Oxfam Novib developed the PRISMA – PRoject RISK Management – approach to apply as part of responsible, mature and accountable project risk management in partnerships. In each project phase, steps need to be taken at a different stage of the PRISMA risk management process. PRISMA Stage 1 is the pre-risk assessment phase when due diligence is performed on Partners prior to contracting.
Risk Appetite	Risk appetite is the amount of risk, at a broad level, that an organization is willing to take/accept in pursuit of its strategic objectives.
Screening Officer	Person appointed to perform screenings of Partners and Suppliers against International and European Sanctions lists.

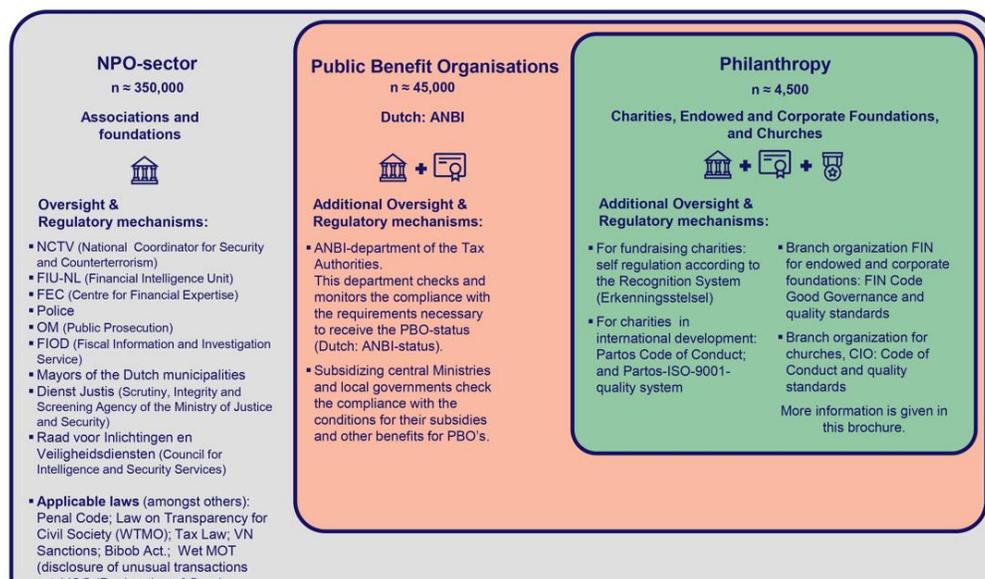
Screening	Process of performing checks on individuals and entities against International and European Sanctions lists to prevent amongst others the (direct) transfer of funds to “designated” or Sanctioned individuals or entities.
Suppliers	Suppliers can range from independent market traders, individuals (i.e.: consultants) and small local companies to large international companies from which Oxfam Novib procures goods or services.
True Match	The exact same entity/person screened is found on one or more Sanctions Lists through the use of WorldCheck One (or an equivalent software, if applicable).
Ultimate Beneficial Owner (UBO)	A private individual who is the beneficial owner of, or has control over a legal entity via: <ul style="list-style-type: none"> - The (in)direct holding of more than 25% of the ownership interest in the legal entity; or - The (in)direct holding of more than 25% of the voting rights regarding amendments to the articles of association of the legal entity.
WorldCheck One	A software developed to support organizations due diligence needs in the fight against crime, bribery, and corruption. The WorldCheck One data reveals hidden risk in organization relationship with staff, partners and suppliers that breaches compliance regulation and threatens reputation. ONL uses the software to screen against International and European Sanctions Lists.



ANNEX B: REGULATION OF THE NPO SECTOR IN THE NETHERLANDS

The Venn diagram below shows the regulatory playing field of the Non-Profit Organization ('NPO') sector in the Netherlands. This diagram with description has been provided by the Dutch Ministry of Finance in March 2023. ONL as Dutch NPO is located in the green inner circle at the top right.

Regulation of the NPO-sector in the Netherlands at a glance



A Venn diagram

This figure represents the NPO-sector in the Netherlands. The closer an organisation gets to the core of this Venn diagram, the more the organisation fits to the FATF definition of the NPO-sector:

A legal person or arrangement or organisation that primarily engages in raising or disbursing funds for purposes such as charitable, religious, cultural, educational, social or fraternal purposes, or for the carrying out of other types of "good works".



Layers of oversight & regulatory mechanisms

Each circle of the Venn Diagram has its own oversight and regulatory mechanisms. These are additional to each other. Oversight and regulatory mechanisms of the outer circle (NPO-sector) are also applicable for the middle and inner circle. The same goes for the oversight and regulatory mechanisms for the PBO-group; these are also applicable for the inner group. Hence the inner group has to apply to the most oversight and regulatory mechanisms: the closer an organization gets to the core of the Venn diagram, the more oversight is applicable.



ANBI

Losing the PBO/ANBI-status means no tax advantage for the organisation and its donors. Hence the ANBI-status is well known and donors (private and public) require the ANBI-status before they donate.



Philanthropy

The Recognition System is a special form of self-regulation. It is a collaboration between the branch organisation Goede Doelen Nederland (GDN) that represents the largest part of Dutch charities, an independent standard setting committee, and an independent monitoring organisation: the CBF. With the CBF-seal charities live up to high quality standards, are automatically compliant with the ANBI-criteria, are qualified to receive donations from Lotteries and funds, have easier access to services of banks and payment service providers, and can be a member of the branch organisation GDN.

Endowed and corporate foundations, and churches have their own branch organisations, FIN and CIO respectively. Both have developed a self-regulation system with a Code of Good Governance, a Code of Conduct and quality standards.

Charities in international development can have the CBF-seal as well as the Partos-ISO-9001 certificate. Often they also receive subsidies from the Ministry of Foreign Affairs with high requirements (COCA).

Smaller initiatives in international development are members of branch organisation Partin, which delivers services to improve accountability, transparency and compliance.



Gatekeepers

The gatekeepers to the NPO-sector set strict requirements before organisations can make use of their services and as a consequence can start or continue their work. The gatekeepers have to apply the Money Laundering and Terrorism Financing (Prevention) Act (Dutch: Wwft).