



**DEFENDERS**  
PROTECTION INITIATIVE

## Preventing Money Laundering

- 01 ▶ Carrying out proper due diligence; there must be systems and controls in place to conduct due diligence on individuals and organisations that give money to, receive money from, or work closely with the NGO.
- 02 ▶ Identifying international transactions; NGOs must have systems and controls in place that enable them to identify international transactions separately from domestic transactions.
- 03 ▶ Monitoring and verification of payments to beneficiaries and partners.
- 04 ▶ Monitoring and management of compliance with Anti Money Laundering and Counter Terrorism Financing policies, processes and procedures.



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- 01 ➤ Reporting; NGOs should have policies and procedures for making reports of suspicious transactions internally to their compliance officers, as well as to external organizations such as the Financial Intelligence Authority.
- 02 ➤ Training; NGOs must ensure that their compliance officers receive the AML and CFT.
- 03 ➤ Internal financial controls; NGOs must ensure that their financial controls are sufficiently robust and sophisticated to ensure that all funds are fully accounted for, and are spent in a legitimate manner that is consistent with the purpose and objectives of the NGO stated activities.
- 04 ➤ Appoint a compliance officer with approved training with responsibility for ensuring that the NGO complies with the regulations.