

RENEWABLE WORLD ANTI-MONEY LAUNDERING POLICY

Approval Status:

Version 1.0 of the policy approved by the Renewable World Board on 20th November 2018.

1. INTRODUCTION

Money laundering is the term used for a number of offences involving the proceeds of crime or terrorist funds. It includes possessing, or in any way dealing with, or concealing, the proceeds of any crime.

The process of money laundering has three stages:

- **placement**, through which the funds (often in cash) enter the financial systems;
- **layering**, by which the funds pass through a complex sequence of transactions designed to make it impossible for investigators to follow a trail of evidence back to the origin of the funds; and
- **integration**, the point at which the funds emerge from the process back into the legitimate economy in a way that they are unrecognisable as the proceeds of crime.

Renewable World recognises that charities can be especially susceptible to the attentions of potential money launderers particularly when the charity has an international presence in regions where there are serious issues in control and regulation.

2. ANTI-TERRORISM CONSIDERATIONS

Renewable World is an international charity which tackles poverty through the provision of affordable renewable energy services to improve incomes, health and education in the developing world. Terrorism, in common with other criminal acts, infringes the fundamental rights of the innocent and the powerless and diverts money and attention from the real needs of the communities we are committed to helping.

We do not engage with terrorist organisations or give money to partners who carry out, or fund, or advocate terrorist activity. We are committed to ensuring all our business processes minimise the risk of funds being diverted for terrorist or any other criminal purposes.

We work within the law to ensure that our work and that of our partners is free from interference and that resources are used for the purposes intended.

3. OBLIGATIONS OF TRUSTEES, STAFF AND VOLUNTEERS

All Renewable World Trustees, staff, volunteers and those working for the Renewable World as consultants, interns or temporary employees, thereafter referred to as "Personnel" have the following obligations:

- not to assist in the money laundering process through acquiring, concealing, disguising, retaining or using the proceeds of crime
- not to prejudice an investigation
- not to contact any person who has been suspected of, and reported for, possible money laundering in such a way as to make them aware of the suspicion or report ("tipping off")

In many jurisdictions, including the United Kingdom, these are legal obligations and the law requires all cases of suspicion to be reported, regardless of size. Anyone who breaches these obligations could face criminal sanctions.

4. RISK ASSESSMENT

The Renewable World Chief Operating Officer (COO) and the Senior Management Team must remain vigilant to the risks of money laundering within the charity including in relation to the following specific areas where there could be a vulnerability to money laundering:

- Country offices may receive requests for unusual transactions, such as a request to pass funds through an office account, or to hold cash on behalf of a third party, or to pass this in some way back to another Renewable World office or account
- Overseas programmes and partners may be subject to suspicious or unusual transactions resulting from money laundering
- Interest-free loans
- Donors requesting unusual or over-specific restrictions on a gift, or requesting its return in whole or part
- Requests to use Renewable World as a conduit and pass money through it
- Using staff as couriers to carry cash or small items of value to persons or organisations overseas; and
- Suppliers may be set up to provide such money laundering facilities, so we must ensure that due tender and procurement process is followed in accordance with the Renewable World Procurement procedure and suppliers are confirmed as bone fide.

5. DONATIONS

Renewable World operates an Ethical Fundraising policy which addresses donor issues in relation to our ethical and charitable objectives. However, in order to be satisfied that donations are from credible sources that do not carry a risk of money laundering, the following issues shall also be addressed before acceptance of any unusual offer of support or donation of significant financial value:

- Who is the donor and does the donor have good standing?
- Is the donor seeking or proposing any support or other service from Renewable World?
- Does the donor want to impose particular terms or conditions for acceptance of the donation?
- What is the motive for the offer and what will be the effect of accepting it?
- Is there an actual or potential risk of detriment to Renewable World?

Particular vigilance shall be applied to the following:

- Unsolicited donations offered at short notice or via an unknown third party
- Donations offered in the form of a loan
- Donors who ask for all or part of a donation to be returned at a later date
- Donations offered for a specific project where the donor insists that a particular third party is used as a partner or supplier on the project

- Donations offered conditional upon the donor having control over a revenue or investment benefit from the donation, such as a share of income generated by the donation or the transfer of surplus capital at the donor's behest
- Payments from any organisation (including partners organisations) that are to be held in a Renewable World bank account for a period of time and then returned to the organisation or passed onto another organisation (known as conduit funding)
- Donations that have unusual or disproportionate conditions attached
- Donations where there are grounds for reasonable suspicion that it represents the proceeds of crime, or is not legally or legitimately owned by the donor
- Proposals that Renewable World should make offers of financial support or loans of property or facilities.

The Trustees in consultation with the Head of Fundraising and COO will consider whether to redirect or return donations subsequently found to have been accepted in breach of this Policy.

6. REPORTING PROCEDURES

The COO is appointed to be the Money Laundering Reporting Officer ('MLRO') and is responsible in law for receiving any reports of suspicion of money laundering within Renewable World and for passing these on to the National Criminal Investigation Service (NCIS). Reportees will be covered by the protections and confidentiality stated within the RW Whistleblowing Policy provide reports are a genuine concern and have been made in good faith. Please refer to RW's Whistleblowing Policy or contact the Company Secretary or cosec@renewable-world.org); or

The MLRO shall inform the Chair of Trustees of such reports in confidence (unless the MLRO has reason to believe that the Chair may be implicated in which case he would need to inform the Vice-Chair or Treasurer). The Chair or their deputy will fulfil the Charity Commission reporting requirements

If any Trustee, member of staff, volunteer or other person working for Renewable World knows or suspects that money laundering is taking place, they must report it to the MLRO (COO@renewable-world.org) as soon as the knowledge or suspicion first strikes them. Alternatively, they can report direct to the Chair (Chair@renewable-world.org) if the COO is implicated.

Any delay leaves them open to the two charges of failure to report, and of assisting an offence. There is no need for them to ascertain the nature of the crime which leads them to suspect that the unusual transaction may be an instance of money laundering. However, they must be able to explain what made them suspicious. The report should always be made immediately to the MLRO, even if later knowledge proves the suspicion to be unfounded.

It is best not to discuss any suspicion with colleagues, especially if they also have dealings with the person suspected, as they may (even inadvertently) say or do something which might lead that person to realise that they might be the object of suspicion. The matter should never be discussed with anyone outside Renewable World other than the appropriate statutory authorities, except with the permission of the MLRO.

Once a report has been submitted, any contact with the person or organisation suspected should only be made with the express agreement of the MLRO. If the MLRO decides to submit a report to

the NCIS, then all activity involving the suspected party must be frozen immediately, and no contact made without the consent of NCIS.

All approved Renewable World policies can be found on the HR Folder in Dropbox as follows:
\Dropbox (Renewable World)\RW Human Resources (HR)\HR policies. They are all found on our website footer at www.renewable-world.org