

# NRC's Toolkit for Principled Humanitarian Action

Managing counterterrorism and sanctions risks

# Who do we have in the room?

Your role

Your organisation

Why are you  
interested in this  
issue?



# Objectives of the session

1. Understand what are counterterrorism and sanctions measures and the potential risk for principled humanitarian action
2. Understand how to balance compliance with counterterrorism measures and sanctions with humanitarian principles.
3. Learn about NRC's counterterrorism and sanctions risk management toolkit and how to use it within your operations



# Agenda

- Introduction
- What are sanctions and counterterrorism measures?
- Risks and impact for humanitarian action
- Deep dive sessions:
  - Donor clauses
  - Bank derisking
  - Intersection with programmes
- Overview of NRC's Toolkit



# Before we start!

- ➡ The session is **not designed to provide legal advice**
- ➡ NRC does not advocate **for or against** counterterrorism measures and sanctions
- ➡ The focus is on reducing the impact of counterterrorism measures and sanctions on **principled humanitarian action**

# Toolkit: Why was it developed?

- Support organisations to understand and manage the risks of counterterrorism measures for principled humanitarian action
- The risks will never be zero. Designed to help NGO's balance potential risks with humanitarian principles
- Published in 2015, updated in 2020, and expanded in 2024 to include sanctions-related risks and reflect policy updates



# Counterterrorism measures and sanctions

What are they and how do they impact principled humanitarian action?

# What are sanctions and counterterrorism measures?

Sanctions	Both	Counterterrorism measures
<i>What is the objective?</i>		
<b>Foreign policy tool</b> with varying objectives: end conflict; promote human rights; restore democracy.	<b>Counterterrorism sanctions</b> aim to prevent funds from going to terrorist entities (E.g. UNSCR 1267)	Prevent and suppress terrorism activities (incl. stemming the flow)
<i>Who adopts them?</i>		
'International sanctions' vs. 'autonomous sanctions'	<b>International</b> organisations (e.g. UNSC) <b>Regional</b> organisations (e.g. EU, ECOWAS) Individual <b>States</b> (most commonly 'donors' but now increasingly also 'host')	UNSCR 1373 – 2462 Local government bodies (e.g. governors, mayors)
<i>What do the measure prohibit?</i>		
The type of sanction vary: <b>financial</b> sanctions (asset freeze / making resources available), arms <b>embargo</b> , <b>Import / Export or sector ban</b> (e.g. Syrian Fuel), <b>travel ban</b> , etc.	<b>Prohibition to provide support / resources to terrorists</b>  <b>NO PROHIBITION TO MEET, LIAISE, NEGOCIATE</b>	<b>Prohibition vary</b> – material / moral support to Terrorism – e.g. Foreign Fighters. Also local laws, curfew, movement restrictions..  <b>NO universally agreed definition of terrorism</b>
<i>Where are the measures found?</i>		
<b>Domestic laws</b> , e.g. EU Regulations. France's Code Monetaire et Financier	<b>UNSC resolutions</b> <b>Regional or domestic laws</b> (e.g. EU Directives) <b>Clauses in donor contract</b>	<b>States' penal/ criminal codes (e.g UK CT Act, US Material Support Clause)</b> . Other counterterrorism measures can also be found in military orders, local directives.



# What are sanctions and counterterrorism measures?

Sanctions	Both	Counterterrorism measures
<i>Who needs to comply by the measure?</i>		
<p><b>Any legal or natural persons</b> bound by the jurisdiction of the State / regional organisation  E.g. <b>Humanitarian organisations</b> <b>but also the private sector, banks</b> etc.</p>		
<i>What are the penalties for non respect?</i>		
<p><b>Administrative penalties</b>, such as disallowances or fines (most frequent)</p> <p><b>Civil and Criminal liabilities</b> may also exist in some jurisdiction (rare)</p>	Non-respect could lead to <b>prosecution</b>	
<i>How is humanitarian action protected from the unintended effects?</i>		
<p><b>Humanitarian exemptions</b> (e.g. UNSCR 2664, OFAC GLs, EU exemption) – Now increasingly common</p>	<p>International law and <b>IHL obligations</b></p>	<p><b>Humanitarian carveouts</b> in criminal laws</p> <p>Strict definition of offense</p> <p>Prosecutorial Guidance for law enforcement.</p>

## Cheat sheet: Differences and commonalities between sanctions and counterterrorism measures

### TOOL 2

Although their impact and the risk they pose to principled humanitarian action can be similar and frequently overlap, sanctions and counterterrorism measures are different legal instruments. Understanding their nature and the differences between sanctions and counterterrorism measures from a legal perspective can help humanitarianists identify, assess and mitigate risks more precisely and advocate appropriately for policy solutions.

This tool intends to summarise in general how sanctions and counterterrorism measures differ, but also what they have in common. For a more detailed and nuanced analysis, refer to [Section 3](#) of the toolkit.

Sanctions	Commonalities between sanctions and counterterrorism measures	Counterterrorism measures
<b>What is the objective of the measure?</b>		
<p><b>Objectives vary greatly:</b> e.g. ending conflicts, providing human rights, restoring democracy.</p> <p><b>Some sanctions are imposed in response to a situation in a specific country:</b> e.g. United States (US) sanctions on Syria. Others are "horizontal" or "thematic" and apply across different contexts – e.g. Weapons of Mass Destruction.</p>	<p><b>Counterterrorism sanctions aim to prevent funds and assets from going to terrorist groups or individuals.</b></p> <p>For example: United Nations (UN) sanctions on ISIL, Al Qaeda and affiliates (UN Security Council resolution 1267).</p>	<p><b>Stopping the flow of funds and other forms of support to terrorist groups and individuals or for the commission of acts of terrorism.</b></p>
<b>Who adopts the measure?</b>		
<p><b>International and regional organisations</b></p> <p><b>Individual countries</b> (executive power)</p>	<p><b>International organisations</b> such as the UN</p> <p><b>Regional organisations</b> such as the European Union (EU)</p> <p><b>Individual countries</b></p>	<p>In some contexts, <b>local government bodies</b> (e.g. governors, mayors) adopt counterterrorism measures.</p> <p>In <b>war</b> under <b>military rule</b>, <b>military authorities</b> may also adopt counterterrorism measures.</p>
<b>Who implements the measure?</b>		
<p><b>Financial sanctions</b> are typically implemented by departments within Treasury departments or Ministries of Foreign Affairs – e.g. Office of Foreign Assets Control (OFAC) in the US or Office of Financial Sanctions Implementation (OFSI) in the United Kingdom (UK).</p> <p><b>Commercial sanctions or trade bans</b> are typically overseen by Trade or Commerce departments – e.g. US Bureau of Industry and Security (BIS).</p>	<p><b>Law enforcement authorities may prosecute individuals and/or organisations breaching sanctions measures or counterterrorism criminal law.</b></p>	<p><b>Ministry of Justice, Ministry of Interior, police, military.</b></p>

Tool 2

# Which sanctions and CT measures should my organisation consider?



## Organisations' registered country

Where an organisation is registered will determine the legal framework which they are subject to.

E.g. NRC is subject to Norwegian Law



## Host country law

Organisations must abide by the laws of the country they are operating in which includes CT laws and sanctions.

E.g. Lebanon, Afghanistan, Nigeria



## Nationality

**Individual staff** may be subject to the laws of their country of origin.

E.g. A UK citizen is subject to UK CT Laws such as the UK Terrorism Act in every country they are living/working in.



## Grant agreements

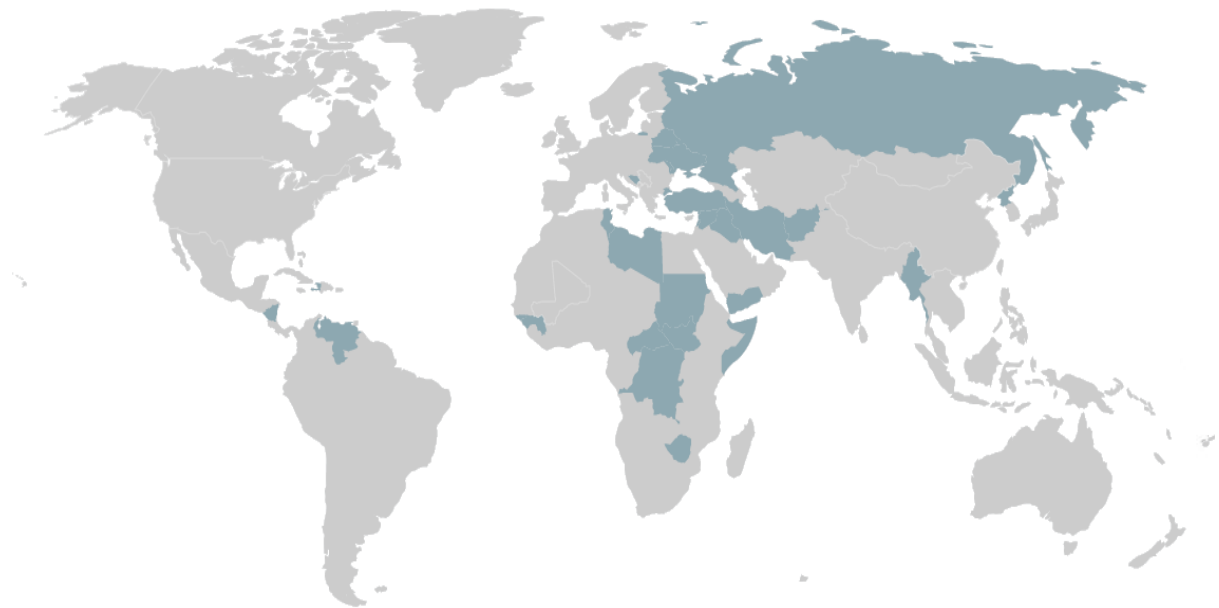
Clause requiring recipients to comply by in grant agreements their CT/sanctions laws.

INDIRECT application. Non-compliance is a breach of contract.

E.g. USAID certificate which applies to all operations, not just the activities funded by the grant

## Where are they in place?

- 14 UN sanctions programmes
- 36 EU autonomous restrictive measures
- 38 US autonomous sanctions programs



**EU Sanctions**

# What this means for humanitarian organisations?

Humanitarian organisations are not the target of counterterrorism measures and sanctions, but they can impact operations.



## Legal Obligations & Compliance

NRC has **legal obligations** to comply with Norwegian law, EU law, local law, and obligations via contractual law

## Humanitarian Principles



However, NRC also has a **responsibility** to adhere to **humanitarian principles** values, mandate, IHL, Red Cross Code of Conduct etc.



# How is humanitarian action protected ?

## What is a **humanitarian exemption**?

Humanitarian exemptions carve out a space in sanctions and CT measures, allowing principled humanitarian organisations to conduct their activities in support of the population in need without violating sanctions.

**'Safeguards'** and **'carveouts'** are other generally used terms.

- Since 2021/ 2022 – **increasingly frequent in sanctions**. Now almost all int'l and autonomous sanctions include a humanitarian safeguard.
- EU – almost all 44 EU sanctions now have a HE, with some limitations at time (e.g. duration).
- Different States use different terms to refer to *humanitarian exemptions*, e.g. US General Licences. Other (less protective). Less protective model also exist – e.g. derogations (case by case authorisations).
- **Less frequent in CT measures** – whether international (UN), or domestic laws from donors and host states.

.

# UNSC Res 2664 (2022)

➡ Applies to nearly all asset freezes in **UN sanctions** including futures regimes. **Does not cover** States' own CT/ sanctions. E.g. EU sanctions against Russia. US sanctions on Syria.

➡ **Only** applies to Res 1267 (AQ/IS) for **two years until Dec 2024**.

➡ **Activities:** Authorizes payment of funds for **humanitarian** activities and activities that support **basic human needs**.

➡ **Actors:** Wide range of actors needed to conduct the activities exempted, including UN agencies, INGOs and their partners, banks, financial and other private sector actors.

➡ **Result:** Non-governmental organisations (participating in UN appeals, HRP, RRP) can conduct 'activities to support basic needs' without fear of violating UN sanctions.



The Security Council adopts resolution 2664 (2022) on U.N. Sanctions regimes. The

FRI DECEMBER 9, 2022



**Kathryn Strifflino**  
Senior Manager, Humanitarian  
Practice, InterAction



**Sarah Fuhrman**  
Director, Humanitarian  
Policy, InterAction

De-risking, Humanitarian Access,  
Humanitarian assistance,  
Sanctions, UN Security Council,  
United Nations

Nearly 222 million people across 53 countries will require humanitarian assistance next year, marking a 25% increase in both need and funding requirements, according to the United Nation's (U.N.) 2023 Global Humanitarian Overview released last week.

SHARE

The U.N. Security Council (UNSC) has taken an important step that will minimize and mitigate the consequences of sanctions on humanitarian action, one that will help save lives and alleviate human suffering. UNSC Resolution 2664, passed on December 9, 2022, establishes a humanitarian safeguard across all U.N. sanctions regimes which will help humanitarian actors and donors alike respond quickly and effectively.

For years, non-governmental organizations (NGOs) have faced **increasing impediments** to humanitarian action due to sanctions, including challenges related to accessing populations in need living in areas controlled

# Examples of humanitarian safeguards in CT measures (int'l & domestic)

## UNSCR 2462 and 2482

*'urges States to take into account the potential effects of CT measures on exclusively humanitarian activities, including medical activities, that are carried out by impartial humanitarian actors in a manner consistent with IHL'.*

## EU CT Directive (2017)

*The provision of humanitarian activities by impartial humanitarian organisations recognised by international law, including IHL, do not fall within the scope of this Directive, while taking into account the case-law of the Court of Justice of the EU.*

## Chad CT Law 002/PR/2020

*'Art 1(4) Activities of an exclusively humanitarian and impartial character carried out by neutral and impartial humanitarian organisations are excluded from the scope of application of the present law.'*

ALSO:

Ethiopia (2020), Philippines (2020)  
Australia (2014), United Kingdom (2019),  
Switzerland.



# Short Break



# Counterterrorism measures and sanctions

Impact on principled humanitarian action

If/ how have you experienced the **impact of sanctions/ counterterrorism measures** on your work or organisation?

# Why should we care?

**The Taliban Have  
'Infiltrated' U.N. Deliveries  
of Aid**

**Washington U.S. Attorney Announces Settlement With  
Norwegian Not-For-Profit, Resolving Claims That It Provided  
Material Support To Iran, Hamas, And Other Proscribed Groups  
Under U.S. Law**

## Aid workers fear jail for entering conflict zones under new terror laws proposed by government

Proposed laws 'fail to provide sufficient protection for people who already risk their lives to help others', prominent NGOs warn



**Jan Egeland** ✓ @NRC\_Egeland · May 20, 2019

How [#CounterTerror](#) laws may hurt victims of terror: An exemption to the British law allows aid workers to work in war zones without fear of arrest. But law proposed in Netherlands has no aid workers exemption, dangerously exposing them to risk of arrest

## EXCLUSIVE: HSBC to block donations to Palestinian aid charity Interpal

British bank will no longer process standing orders, in Ramadan blow for one of UK's leading

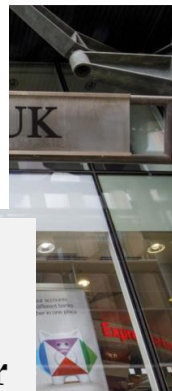
AFRICA WAR

## Nigerian Army claims NGO aids Boko Haram and ISWAP, shuts Maiduguri and Damaturu offices

Aid and Policy News 12 September 2019

## Oxfam faces \$160 million legal threat over Palestine aid project

'We are aware of the lawsuit and reject the allegation made in it.'



# Impact on humanitarian operations



## Operational

- Delays to programmes
- Impacting programme decisions
- Access to certain populations
- Access to financial services



## Legal

- Loss of funding
- Fines
- Prosecution of NGOs



## Safety

- Criminalisation of staff
- Risk transfer to staff
- Perceptions of impartiality with potential security implications



## Humanitarian Principles

- Compromised principles
- Prevent responses based on needs alone



The 'chilling effect'

# Deep Dive:

# Donor clauses

# Trends

- Donors also bound by CT/sanctions. CT/S clauses are **increasingly common** in grant agreements
- Trend of '**zero tolerance**' approaches and increasing focus on **aid diversion**
- **Increased scrutiny and reporting** requirements. Cost of compliance.
- Not always advance notice. Can be found in the contract but also in pre-contract negotiations..
- Not always reflect humanitarian exemptions where they exist.

Conflict News 16 May 2019

## UK keeps limits on cash aid in Syria over counter-terror fears

## Funding al-Shabaab: How aid money ends up in terror group's hands

Manhattan U.S. Attorney Announces Settlement With Norwegian Not-For-Profit, Resolving Claims That It Provided Material Support To Iran, Hamas, And Other Prohibited Parties Under U.S. Law

OPINION > INTERNATIONAL

THE VIEWS EXPRESSED BY CONTRIBUTORS ARE THEIR OWN AND NOT THE VIEW OF THE HILL

## US Yemen policy opens the way for humanitarian NGOs to fund terrorists

# Donor clauses: what to look for?

- **Political language:** 'committed to the war on terror'
- **Vague wording:** 'associated with', 'directly' or 'indirectly'
- **Efforts standards:** 'must comply' vs. 'take all reasonable efforts'
- **Liability:** 'Knowledge', 'intent', 'knowingly'
- **Flow down clauses** to partners
- **Requirements that challenges IHL / humanitarian principles** – e.g. requirements to screen final of beneficiaries



Impact on humanitarian principles?

## Reviewing sanctions and counterterrorism clauses in donor agreements

### TOOL 8

Your organisation must review each grant agreement thoroughly before signing to ensure you are aware of what the agreement contains, regardless of whether you have signed previous agreements with that donor in the past. Donors are not obliged to inform partners when they introduce new language or change the wording of sanctions and counterterrorism clauses. Additionally, sanctions and counterterrorism clauses are not always found in the sections of grant agreements where you might expect them and are sometimes prerequisites for funding inserted in the pre-negotiation or proposal submission phase. A complete review, which might include searching the agreement for relevant terms, helps you ensure that you have identified any problematic language in time to seek clarity from the donor or to try and renegotiate the wording. Additional information on sanctions and counterterrorism compliance for humanitarian organisations may be issued in other documentation from donors but not included in grant agreements, for example, official guidance, FAQs, or interpretation notices.

#### Questions to consider

The following checklist is not exhaustive, but highlights some of the questions you can consider when reviewing an agreement:

- ❑ Does the agreement refer to international conventions or treaties, United Nations Security Council (UNSC) resolutions, donor policies, domestic or international laws or donor state regulations?
- ❑ Does the sanctions/counterterrorism clause include the terms "intent", "knowledge", "knowingly" or "reasonableness"?
- ❑ Does the clause include language that is vague or unclear, such as "associated with" or "directly or indirectly"?
- ❑ Would you be required to screen staff, contractors, partners or beneficiaries against lists of persons or entities designated under sanctions or counterterrorism measures? [Note that this requirement might not be stated expressly but could be inferred from obligations to ensure that funds or assets do not reach designated persons or entities].
- ❑ Does the grant agreement reference relevant humanitarian exemptions or licenses in international, regional, and domestic legislation if they exist?
- ❑ Does the grant agreement require you to report to the donor on any transfers to designated or sanctioned actors, even if permitted by relevant humanitarian exemptions?
- ❑ Would you be required to vet staff, partners or beneficiaries – i.e. share personal information with the donor?
- ❑ Does the agreement include specific requirements or language on the recruitment of staff?

# Beneficiary screening

- **What is it?** Checking names of planned beneficiaries on relevant sanctions lists such as the UN or EU.
- Way for donors to ensure they comply with prohibition not to make funds available,.
- More frequent with **non-humanitarian donors** (e.g. INTPA, KfW).
- Especially prevalent for **cash-based assistance**.
- Requirements can be **explicit** or **implicit**.
- **'Overcompliance'**: some requirements go further than the prohibition of the sanctions themselves.
- Driven by Treasuries & MoFinance (< AML, CTF)

**ULTIMATE Red line** for humanitarian organisations

*" (...) the need to ensure the respect for EU restrictive measures must not impede the effective delivery of humanitarian assistance to persons in need. Consequently, individuals in need shall not be vetted.*

## ECHO Model Grant Agreement (2020)

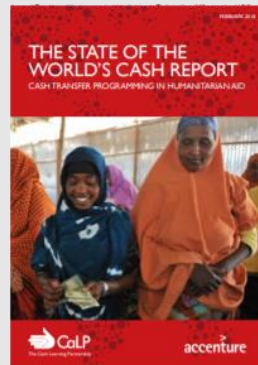


European Union  
Civil Protection and  
Humanitarian Aid



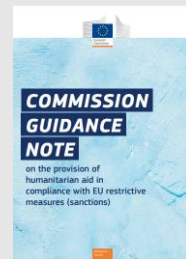
# Impact on cash and voucher assistance

- Cash regarded as higher risk by many donor
- Several donors (e.g. INTPA, KfW, AFD) include requirement to vet final beneficiaries for cash programmes.
- Can cause some orgs to chose in-kind assistance instead of cash (less effective, dignifying)
- Also impacted by domestic CT measures (e.g, Burkina Faso, Nigeria)



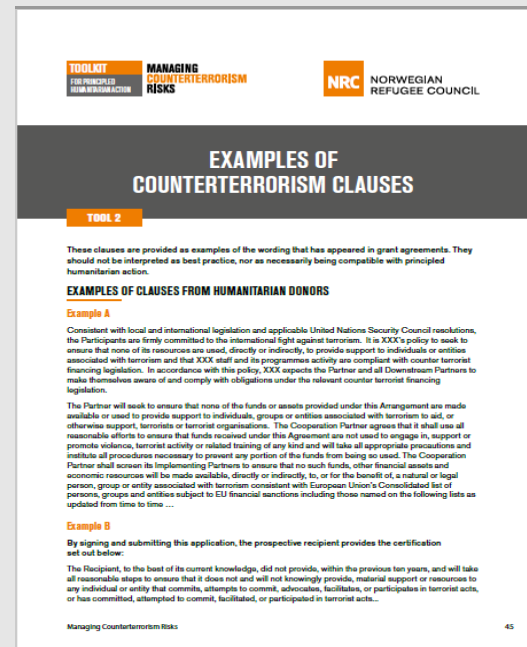
## 3.12. Different types of humanitarian programmes

Humanitarian aid can take different forms, such as the provision of certain goods or services, or **cash-based assistance**. Humanitarian exceptions and the 'non-vetting' principle for persons in need according to International Humanitarian Law, applies irrespective of the form and the modalities of the humanitarian project.



### Example donor clause: Discuss potential challenges of this clause?

*The Recipient must obtain the prior written approval of the XXX before providing any assistance made available under this Award to individuals it knows to have been formerly affiliated with Boko Haram or the Islamic State of Iraq and Syria (ISIS)-West Africa, including former fighters, nonfighting members, and individuals who may have been kidnapped by Boko Haram or ISIS-West Africa but held for periods greater than 6 months. Former affiliates do not include civilian populations who only resided in areas that were, at some point in time, controlled by the groups.*



# Activity

The Recipient must obtain the prior written approval of the XXX before providing any assistance made available under this Award to individuals it knows to have been formerly affiliated with Boko Haram or the Islamic State of Iraq and Syria (ISIS)-West Africa, including former fighters, nonfighting members, and individuals who may have been kidnapped by Boko Haram or ISIS-West Africa but held for periods greater than 6 months. Former affiliates do not include civilian populations who only resided in areas that were, at some point in time, controlled by the groups.

Impact on **principles**: ability to provide assistance based on needs alone

Requires unverifiable and sensitive information

## Example of **safeguards** in donor clauses

**Example 1:** *the need to ensure respect for counter-terrorism legislation and sanctions regulations should not impede the timely delivery of humanitarian assistance or other activities that support basic human needs in accordance with humanitarian principles, international humanitarian law and human rights law. The Partner is therefore not expected to screen end-beneficiaries. The Partner and any Downstream Partners are also not precluded from liaising with designated persons or members of designated entities and proscribed groups to implement the activities funded by this Arrangement*

### Examples of humanitarian safeguards in sanctions, counterterrorism measures and donor clauses

**TOOL 3**

Following a decade of advocacy, sanctions and counterterrorism measures increasingly include a range of safeguards to protect principled action. This tool provides you with examples of humanitarian 'safeguards' in both sanctions, criminal laws and donor clauses, as well as a checklist of elements to consider to ensure that a humanitarian safeguard is as protective as possible.

#### A. HUMANITARIAN SAFEGUARDS IN SANCTIONS

United Nations Security Council (UNSC) Resolution 2664 (2022) created a standing humanitarian exemption for all current and future United Nations (UN) asset freeze measures, which countries must transpose in their national laws that give force to UN sanctions. As a welcome step, some countries took a step further and included exemptions in their own 'autonomous' sanctions (i.e. sanctions imposed by that country alone). However, in doing so, they often included new criteria or elements of language. As a result, different models of humanitarian exemptions now coexist, some of which are more protective than others.

**Example 1: UNSC Resolution 2664 (2022)<sup>1</sup>**

*"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:*

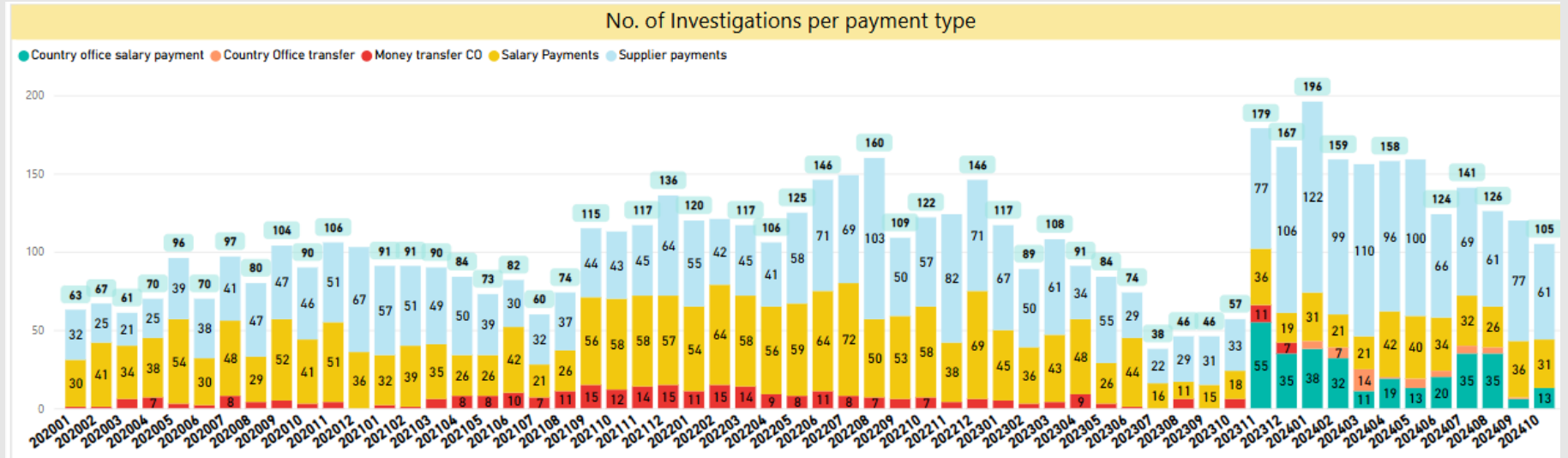
- the United Nations, including its Programmes, Funds and Other Entities and Bodies, as well as its Specialized Agencies and Related Organizations,*
- international organizations,*
- humanitarian organizations having observer status with the United Nations General Assembly and members of those humanitarian organizations,*
- bilaterally or multilaterally funded non-governmental organizations participating in the United Nations Humanitarian Response Plans, Refugee Response Plans, other United Nations appeals, or OCHA-coordinated humanitarian "clusters,"*
- or their employees, grantees, subsidiaries, or implementing partners while and to the extent that they are active in those capacities.*

Deep Dive

# Bank Derisking and Financial Access

# Bank derisking

## Impact on NRC's financial transfers from Head Office



# Financial Action Task Force (FATF)

- FATF is an inter-governmental body responsible for setting standards and regulations to combat the financing of terrorism.
- It is both a policymaking and an enforcement body. Almost all countries across the world endorse its 40 Recommendation.
- **Recommendation 8** – NPO previously assessed as a 'high-risk' group. It has been revised to encourage risk assessment to NPO sector but still a cause of derisking practices.



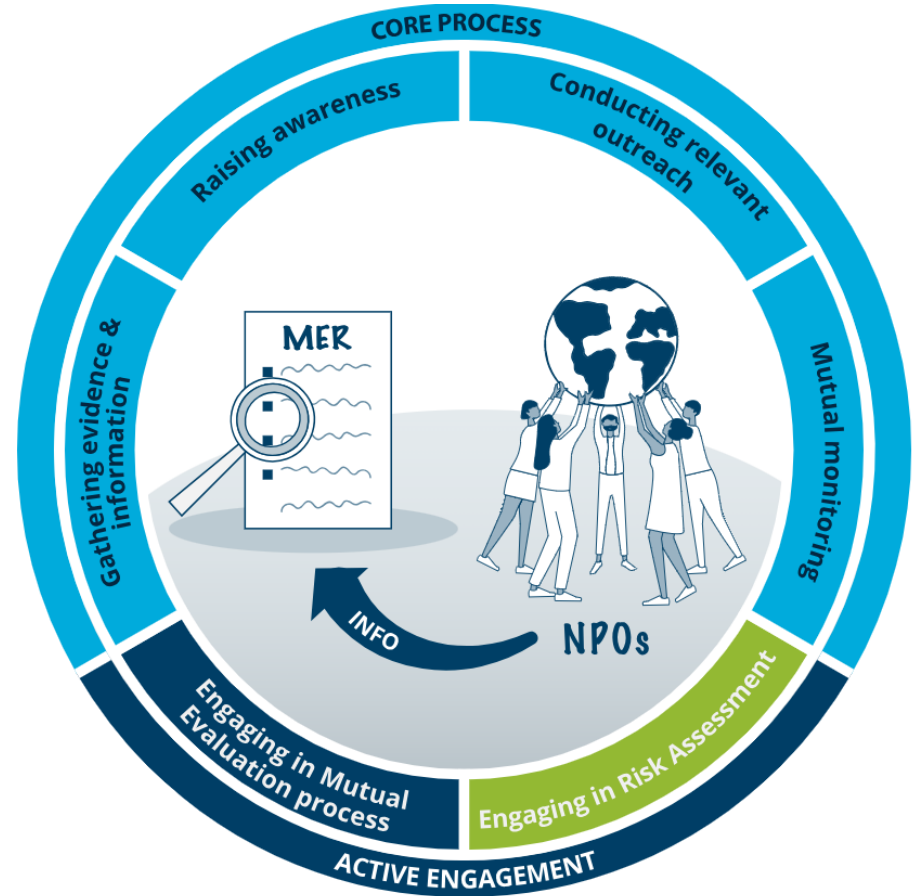
BEST PRACTICES

## COMBATING THE TERRORIST FINANCING ABUSE OF NON-PROFIT ORGANISATIONS



# Engaging in FATF Evaluations

- **The NPO Coalition on FATF** has extensive information on how NPOs can engage in FATF evaluation processes
- Collect information on rules/regulations/laws that are directly or indirectly affecting NGOs ability to function
- Advocate for a **risk-based approach** to counterterrorism and anti-money laundering rules. Consider conducting a shadow risk assessment of the NGO sector
- [Good practice](#) in South Africa and Kenya where NGOs joined the technical working group conducting the risk assessment





## Tri-sector working groups

- Bring together banks, governments and NGOs to discuss financial access challenges and solutions
- Groups have been established in the UK, France, Germany, US
- Discussions have resulted in some good practices, especially from the UK group that has been established for a few years

### Checklist for establishing a national tri-sector working group

#### TOOL 6

This checklist is designed to support the setup of tri-sector working groups to address financial sector derisking and other challenges that non-governmental organisations (NGOs) experience arising from sanctions and counterterrorism measures. It is based on findings from the fourth session in the Norwegian Refugee Councils (NRC) 'Dialogue series on solutions to bank derisking' that considered the [role of tri-sector working groups](#) in operationalising solutions.

#### PARTICIPATION

##### NGOs

1. Do you have NGOs of various sizes represented including large international NGOs, local NGOs, and civil society organisations?  
*Ensure organisations of various sizes are represented, noting that smaller NGOs often face the greatest bank derisking challenges and have fewer resources to address this.*
2. Do you have NGOs with diverse mandates represented such as humanitarian organisations, human rights organisations, peacebuilding and faith-based organisations?  
*Ensure organisations with diverse mandates are represented.*

##### Government

3. Are the following government ministries represented in the group?
  - International development
  - Foreign affairs
  - Finance (including banking regulation)
  - Various authorities responsible for sanctions and counterterrorism measures design and implementation
  - Prosecution and/or justice departments*Consider including a range of government ministries to ensure that all government departments with a role in aid, foreign affairs, sanctions and counterterrorism compliance, and finance are present.*

Deep Dive

# How measures interact with programmes

# Interactions with sanctioned and designated groups

Why might a humanitarian organisation need to interact with a designated or sanctioned entity or individual?



Humanitarian  
access  
negotiations

Purchasing  
supplies or  
services

Working with  
local partners

## Why might a humanitarian organisation need to interact with a designated or sanctioned entity?

Negotiating  
and signing  
MoUs

Paying taxes  
or fees

# Touchpoints Tool: Analysing the interplay between counterterrorism measures/ sanctions and NGO operations

There are **nine main types of 'touch points'** that are most common for organisations to consider:

- 1 Taxes and social security payments
- 2 Visa and registration costs
- 3 Allowances, stipends, per diems and transportation costs
- 4 Utilities
- 5 Programme/IT software
- 6 Procurement
- 7 Cash payments to beneficiaries and community groups
- 8 Payments to Money Transfer Service Providers
- 9 Coordination

- **Type of touch point:** These categories can be adjusted to fit the needs of your operations.
- **Amount:** How much is the payment? Include variation of costs if applicable? Payment arrangement and frequency: How are payments made? How often are payments made?
- **Relevant entity to whom payment is made:** Who is the recipient of the payment? Analysis: Does the payment involve a designated entity? Are there risks that payments violate applicable laws?]
- **Risk rating:** Define your rating, e.g. traffic light or numbers.
- **Risk mitigations:** Are there humanitarian carveouts / exemption which cover this payment? What measures could be put in place to mitigate the risk?
- **Decision:** Decision of the management. This can then also be included in a 'Note to file' if relevant.
- **Red flags:** Are there specific issues to follow-up or pay attention to? E.g. changes to payment modalities or expiration of exemption.

#### # / Type of touch point

	Amount	Payment arrangement and frequency	Relevant entity to whom payment is made	Analysis	Risk rating	Risk mitigations	Decision	Red flags
2. Visa & registration cost (e.g. staff residency permits)								
As per the law, e.g. between 50-400 USD.	Cash, one-off	Ministry of Interior	De facto authorities / Cabinet are designated under country X financial sanctions.	Select: - Green - Orange - Red	Country X sanctions include a humanitarian exemption that authorizes transactions for humanitarian purposes.  The exemption, however, expires at the end of the year.	Allow payments pending the condition of the exemption and until expiry at the end of the year.	For attention: Monitor the expiry of the exemption.  Document how the exemption applies to the payments or activity.  Advocate for renewal of the humanitarian exemption.	

# Activity

For NGO-Y's operations consider:

What are the **touchpoints** between the programme and sanctions and counterterrorism measures? What are the potential **risks**? What are potential **mitigation** measures? What **additional information** might be required?

NGO-Y is an international humanitarian organisation providing assistance in a country where the authorities are listed under EU and US financial sanctions. Several Line Ministers are sanctioned, including the Minister of Education.

NGO-Y is providing education to children in one of the provinces. They meet with the Education Minister to negotiate MoUs for their education programmes.

NGO-Y pays teacher's salaries as part of the education project. As per the local law, NGO-Y pays a percentage of the staff salary in taxes per month.

# Activity

Risks: Payments directly to sanctioned entities  
E.g. Line Ministers

Tax payments

NGO-Y is an international humanitarian organisation providing assistance in a country where the authorities are listed under EU and US financial sanctions. Several Line Ministers are sanctioned, including the Minister of Education.

NGO-Y is providing education to children in one of the provinces. They meet with the Education Minister to negotiate MoUs for their education programmes.

NGO-Y pays teacher's salaries as part of the education project. As per the local law, NGO-Y pays a percentage of the staff salary in taxes per month.

Analysis: Are there general licences for humanitarian transactions

Analysis: Are there **humanitarian exemptions** in the EU and US financial sanctions?

Analysis: Do interactions with the education minister involve the transfer of funds

Analysis: How much is paid in taxes per month?

Mitigation: Monitor tax payments for any change in bank account details/ recipient to avoid transfers directly to sanctions entities



# **NRC's Toolkit for Principled Humanitarian Action: Managing Counterterrorism and Sanctions Risks**

**What is it and why was it developed?**

# Toolkit: The Tools

- **Tool 1: Template touch point tool:** How to identify ways in which programming interacts with applicable sanctions and counterterrorism measures
- Tool 2: Cheat sheet: Differences and commonalities between sanctions and counterterrorism measures
- Tool 3: Examples of humanitarian safeguards in sanctions, counterterrorism measures and donor clauses
- Tool 4: Checklist on good and bad practices for humanitarian safeguards
- Tool 5: Risk categories and operational impacts
- Tool 6: Checklist for establishing a national tri-sector working group
- Tool 7: Examples of sanctions/counterterrorism clauses in donor agreements
- **Tool 8: Reviewing sanctions and counterterrorism clauses in donor agreements**
- Tool 9: Go/no-go checklist in relation to sanctions and counterterrorism measures
- Tool 10: Criteria for calculating risk impact and likelihood
- Tool 11: Example risk matrix
- **Tool 12: Example sanctions/counterterrorism policy**
- **Tool 13: Example engagement policy with non-state armed groups and de facto authorities considering sanctions and counterterrorism risks**
- Tool 14: Partnership assessment checklist
- Tool 15: Monitoring and Evaluation (M&E) minimum standards

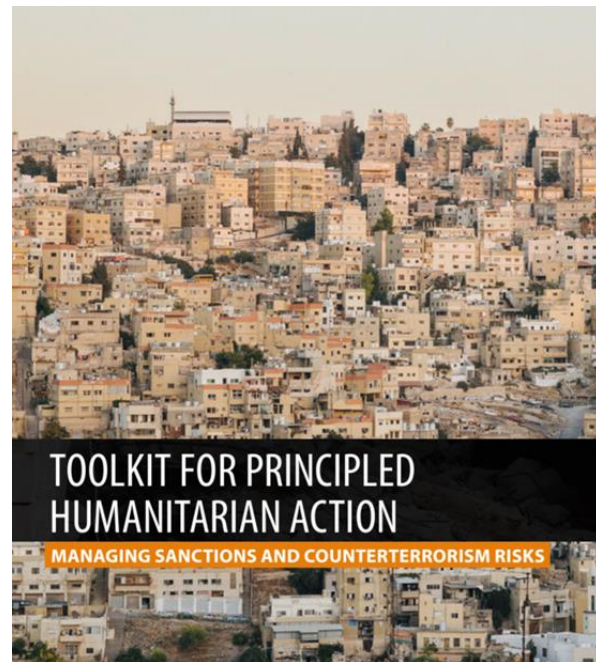


Funded by  
the European Union



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Federal Department of Foreign Affairs FDFA



NORWEGIAN  
REFUGEE COUNCIL



TOOLKIT  
FOR PRINCIPLED  
HUMANITARIAN ACTION



NORWEGIAN  
REFUGEE COUNCIL

# Toolkit: The Tools



Funded by  
the European Union



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Federal Department of Foreign Affairs FDFA

TOOLKIT  
FOR PRINCIPLED  
HUMANITARIAN ACTION

NRC NORWEGIAN  
REFUGEE COUNCIL

## Example sanctions/counterterrorism policy

### TOOL 12

This provides a template sanctions/ counterterrorism policy that organisations can adapt as needed.

#### 1. PURPOSE AND BACKGROUND

As a non-profit non-governmental humanitarian organisation, World Response is committed to acting in a manner consistent with international humanitarian law and to undertaking its activities in accordance with the principles of humanity, impartiality, neutrality and independence. World Response is committed to ensuring that assistance and protection reach those most in need, and to preventing and mitigating the risk of aid diversion.

World Response's mandate means that the organisation sometimes operates in the same area as individuals and entities that states or intergovernmental organisations have designated under sanctions or groups that have been proscribed under counterterrorism measures. Counterterrorism legislation and sanctions in World Response's country of registration, operation and donor states can impose responsibilities and obligations on it and its staff. Non-compliance with these requirements may lead to disallowed costs, termination of grant agreements, determinations of ineligibility for grants, legal action, fines and criminal charges.

This policy sets out the main principles that will allow World Response to deliver assistance and protection to those most in need in accordance with humanitarian principles, while complying with relevant sanctions and counterterrorism legislation and obligations.

#### 2. MAIN PRINCIPLES

##### Humanitarian principles

World Response remains committed to accountability and transparency and adheres to the principles of humanitarianism and 'do no harm' set out in:

- ☒ The Code of Conduct of the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief
- ☒ The Core Humanitarian Standards
- ☒ The SPHERE Humanitarian Charter and Minimum Standards in Humanitarian Response

World Response will ensure that it does not agree to donor conditions containing counterterrorism or sanctions compliance requirements that prevent the delivery of assistance in line with the humanitarian principles.

TOOLKIT  
FOR PRINCIPLED  
HUMANITARIAN ACTION

NRC NORWEGIAN  
REFUGEE COUNCIL

## Example engagement policy with non-state armed groups and de facto authorities considering sanctions and counterterrorism risks

### TOOL 13

This provides a template policy that can be adapted as needed.

#### 1. PURPOSE AND BACKGROUND

World Response is committed to ensuring that assistance reaches people most in need in line with the humanitarian principles of humanity, neutrality, impartiality, and independence. Engagement with all parties to a conflict is essential to secure and maintain access to people in need.

To provide protection and assistance to those in need, World Response may need to engage with non-state armed groups (NSAGs) and de facto authorities (DFAs) in the course of its operations. This may involve engaging with groups or individuals that have been designated under sanctions adopted by the United Nations, the European Union or individual states, or proscribed under counterterrorism measures.

World Response's engagement with these parties is consistent with the humanitarian principles of humanity, impartiality, neutrality and independence. International humanitarian law (IHL) permits humanitarian organisations to engage with all parties to a conflict.<sup>1</sup> World Response provides assistance to all those in need regardless of the authority in control, without taking sides in the conflict, and acts independently from political, military and economic objectives.

World Response acknowledges that legislation in its countries of registration, operation and donor funding places responsibilities and obligations on the organisation and its staff. World Response will remain compliant with these obligations including applicable sanctions and counterterrorism measures. This engagement policy is complemented by World Response's sanctions and counterterrorism policy.

This policy is intended to set out the main principles that enable World Response to engage with NSAGs and DFAs in accordance with its mandate while complying with relevant legal frameworks. It is also intended to provide guidance to staff who carry out this engagement.

#### 2. KEY TERMS

**Engagement:** This refers to sustained interactions with parties to a conflict, including NSAGs and DFAs, for humanitarian purposes. This could be done to gain acceptance for humanitarian actors; to preserve humanitarian space; to gain access to people in need; or to promote awareness and respect for international humanitarian law. Interactions can take different forms such as negotiations, dialogue, or training. Engagement does not legitimise the activities of a group.

**Get in touch!**

**Berenice Van Den Driessche**

[berenice.vandendriessche@nrceurope.be](mailto:berenice.vandendriessche@nrceurope.be)

Senior EU Advocacy and Policy Adviser  
Belgium

**Ellie Ward**

[ellie.ward@nrc.no](mailto:ellie.ward@nrc.no)

Humanitarian Policy Coordinator



NORWEGIAN  
REFUGEE COUNCIL