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## BIPS Sanctions Policy

The Office of Financial Sanctions Implementation (OFSI), part of HM Treasury, are the authority for the implementation of financial sanctions in the United Kingdom (UK).

It provides financial sanctions guidance for entities and individuals which operate in, or with, the charity or NGO sector, especially those who are Charities operating in areas where financial sanctions are in force.

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.

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 organisation

BIPS does not envisage using the above exceptions or apply for a licence to work with a sanctioned individual or entity. BIPS policy is not to deal with any designated person.

### Dealing with a designated person

An individual or entity who is the subject of sanctions is referred to as a 'Designated Person' (DP). It is important to note that it is against the law to receive money, goods or economic resources from, or send these to – an individual or organisation subject to financial sanctions, unless a charity or NGO have a licence from OFSI or can rely on an exception in the legislation.

### BIPS policy on addressing the risk of dealing with Designated

BIPS must not pay to or receive money from a designated person. To achieve this:

BIPS executive has prepared a database of all persons (individuals and organisations), including trustees/directors, members, donors, employees, grantees, universities, suppliers, partners (together BIPS' counterparties).

All new counterparties will be added to the database by the Executive.

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BIPS has started checking the names on BIPS counterparties database against the OFSI database. The OFSI sanctions search web link is <https://sanctionssearchapp.ofsi.hmtreasury.gov.uk>. The Executive will report the result of OFSI checks to the Management Committee.

The OFSI checking has not revealed any Designated Persons. All new additions to the counterparties will be checked before any transaction is conducted with the counterparty. The updated Counterparty Database will also be checked against OFSI once a year.

Further action is required if any of the sanctioned persons are identified in the process of checking to OFSI.

If BIPS trustees, Executive or other employees identify any potential Designated Person hit on the OFSI database, this will be immediately reported to the President and the Treasurer who will consider the evidence, take advice of necessary and take the following steps:

1. Contact OFSI immediately: on +44 (0)20 7270 5454 Monday – Friday, 9am – 5pm GMT
2. BIPS will refrain from conducting any transaction with the potential designated person and await directions from OFSI for guidance
3. Keep the information confidential and avoid tipping off the potential designated person by communicating the findings with them
4. BIPS will freeze any third-party funds involved in a potential transaction and not make funds or economic resources available to a sanctioned individual or organisation, pending information on action to be taken by OFSI.

The President should also report any suspected or actual financial sanctions breach as a Serious Incident Report to the Charity Commission.

Failure to comply with the reporting requirements set out by OFSI is a failure of trustees' basic legal duties and has previously been considered as evidence of misconduct and/or mismanagement in the administration of a charity by the Charity Commission.