KENYA
NPO Working Group
on the Financial Action Task Force

KENYA NPO WORKING GROUP ON THE FINANCIAL ACTION TASK FORCE

STRATEGY
2025-2027

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Acknowledgement

Background

Concerns over illicit financial flows have led to Kenya being greylisted in 2024 by the Financial Action Taskforce (FATF), ten years after it was again removed from the list after being subjected to increased monitoring by the FATF for the first time in 2011. Being greylisted can have devastating effects on the economy and deepen inequality, especially in developing countries, as a result of reduced confidence in the ability of financial systems to handle risks occasioned in financial transactions. It is thus imperative for the country to urgently strengthen its framework to prevent and counter money laundering and financing of terrorism in order to exit the greylist. The FATF's Mutual Evaluation Review found that Kenya "has an underdeveloped risk-based approach to anti-money laundering and countering the financing of terrorism (AML/CFT) supervision."

The government's commitment to work with the FATF and the East and Southern Africa Anti-Money Laundering Group (ESAAMLG) to strengthen its AML/CFT framework includes improving the NPO sector regulatory regime. The FATF's Mutual Evaluation Report concluded that while Kenya has a large non-profit sector, it is largely unsupervised and unregulated; hence, the risk of terror financing abuse remains unidentified.[1]

FATF's Recommendation 8 initially identified NPOs as particularly vulnerable to terror financing abuse, and recommended that governments put policies in place to prevent this. TF abuse refers to the exploitation by terrorists and terrorist organisations to raise or move funds, provide logistical support, encourage or facilitate terrorist recruitment, or otherwise support terrorists or terrorist organisations and operations.

Recommendation 8 was a flawed standard that left civil society vulnerable to abuse and unintended consequences that affect their operations and finances.[2] The misapplication of the FATF Standards, including Rec 8, has compounded the financial exclusion of NPOs.[3] Rules-based requirements increase inclusion barriers as Financial Institutions, such as banks, are unwilling to take on or mitigate money laundering and terror financing (ML/TF) risks. This includes de-risking, where financial institutions terminate, fail to initiate, or restrict a business relationship with a customer, or a category of customers, rather than manage the risk associated with that relationship consistent with risk-based supervisory or regulatory requirements. In at least 25% of ESAAMLG member countries, including Kenya, NGOs have had their relationships terminated by banks on account of conditions imposed by correspondent banks.[4] This denial of service has had a negative impact on NGOs, particularly their ability to process operational expenses, support wider financial inclusion initiatives, and gain access to aid and funding.[5] This is attributable to drivers including profitability, reputational risk, lower risk appetites of banks, regulatory burdens, unclear expectations, and the sanctions regime.

Recommendation 8 also provided justifications for governments to implement highly burdensome and AML/CFT measures that threaten civic space and disrupt the legitimate work of NPOs.[6] In 2017, for instance, an amendment to the Proceeds of Crime and Money Laundering Act (POCAMLA) added NPOs to the list of reporting institutions. This subjected NPOs to increased monitoring and supervision, and stringent regulations typically reserved for high-risk sectors such as casinos and real estate agents. They were listed despite not having conducted a risk assessment to justify the rating of NPOs as being high-risk.[7]

In Kenya, studies have revealed a pattern of deliberate and systematic attacks on civic space and attempts to impede the legitimate work of non-profit organisations through misuse of counterterrorism(CT), CFT & AML laws and measures.[8] NPOs have faced disproportionate measures, including arbitrary placement on lists alleging

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1 Financial Action Task Force, "Grey-Listing of Kenya by Financial Action Task Force Calls for Urgent Reforms to Combat Financial Crime" (Global Finance Integrity, March 7, 2024), https://gfintegrity.org/press-release/grey-listing-of-kenya-by-financial-action-task-force-calls-for-urgent-reforms-to-combat-financial-crime/.

2 Dobichina, I. (2016) "The Big Impact of the Little-Known "Recommendation 8," 11 July, https://www.opensocietyfoundations.org/voices/big-impact-little-known-recommendation-8

3 Financial Action Task Force (2021) "High-Level Synopsis of the Stocktake of the Unintended Consequences of the FATF Standards," https://www.fatf-gafi.org/content/dam/fatf-gafi/reports/Unintended-Consequences.pdf

4 Eastern and Southern Africa Anti-Money Laundering Group (2017), 'Survey Report on De-Risking in the ESAAMLG Region', https://esaamlg.org/reports/ESAAMLG_survey_reports_on_de%20_risking.pdf

5 Rudich, D. (2021) 'Kenya Illicit Finance Risks and Assessment', The Sentry, https://thesentry.org/wp-content/uploads/2021/10/KenyaIllicitFinance-TheSentry-Oct2021.pdf

6 See https://www.fidh.org/en/issues/human-rights-defenders/open-letter-on-counter-terrorism-laws-and-civic-space#nb25

7 Proceeds of Crime and Anti-Money Laundering (Amendment) Act of 2017

their involvement in terrorism-related activities; cancellation of their licence/deregistration; summons and obligations to share information; and freezing their bank accounts.[9]

The FATF later acknowledged the unintended consequences of their standards, including Recommendation 8, which applied to NPOs. These unintended consequences are classified into four broad themes: De-risking, Financial Exclusion, Undue Targeting of Not-for-Profit Organisations, and Curtailment of Human Rights.[10] Recommendation 8 was revised in 2016 to ensure its implementation does not disrupt or discourage legitimate non-profit activities. FATF's interpretive note to Recommendation 8 highlights that not all NGOs are inherently high risk, and calls on countries to apply "focused and proportionate measures, in line with the risk-based approach" and human rights law.[11] It tightens the focus to only organisations found to be legitimately at risk, and also calls on countries to ensure that responses to at-risk organisations are proportionate, effective, and respectful of international human rights law.[12] Nonetheless, the FATF had a far-reaching impact, with over 180 countries committed to implementing its standards, including Recommendation 8.[13]

8 Civic Futures (2024) New reports highlight how the Security Playbook is eroding human rights in Kenya, https://civic-futures.org/new-reports-kenya-security-playbook/

9 Kimari, B. (2024) The Security Playbook: Counterterrorism and Civic Space Restrictions in Kenya https://chrips.or.ke/wp-content/uploads/2024/02/Kenyas-Security-Playbook-Report.pdf

10 Financial Action Task Force (2021) "High-Level Synopsis of the Stocktake of the Unintended Consequences of the FATF Standards," https://www.fatf-gafi.org/content/dam/fatf-gafi/reports/Unintended-Consequences.pdf

11 Financial Action Task Force (2020) 'International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation: The FATF Recommendations', p. 60, http://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf

12 Dobichina, I. (2016) "The Big Impact of the Little-Known "Recommendation 8," 11 July, https://www.opensocietyfoundations.org/voices/big-impact-little-known-recommendation-8

13 Dobichina, I. (2016) "The Big Impact of the Little-Known "Recommendation 8," 11 July, https://www.opensocietyfoundations.org/voices/big-impact-little-known-recommendation-8

Opportunities

Kenya is making positive steps towards risk-based AML/CFT oversight and monitoring of NPOs in line with the revised FATF Rec 8. Recent developments provide numerous opportunities for the WG to build strategic partnerships with stakeholders and collaborate to create an enabling regulatory environment for NPOs and address deficiencies in existing AML/CFT frameworks relating to NPOs.

The Government of Kenya's priority to address deficiencies in its AML/CFT framework and exit the FATF's grey list offers a critical policy window for the NPO WG to advance meaningful contributions to strengthen the AML/CFT oversight and monitoring framework for NPOs in Kenya. The recent removal of Tanzania and Uganda from the FATF's grey list in June 2025 further provides the opportunity to adapt successful NPO advocacy strategies to Kenya's context.

Operationalised in 2024, the PBO Act now provides a revamped and comprehensive administrative, institutional, and regulatory framework to govern transparent and effective governance establishment, management, and regulation of non-profit organisations, addressing deficiencies in the now-repealed NGO Coordination Act.[14] Implementing the Act will foster a more vibrant and accountable civil society by providing a clear legal framework and promoting good governance. The PBORA has further committed to involving stakeholders in the implementation process, ensuring that the regulatory framework aligns with the needs of local organisations.[15] The Working Group is collaborating with the PBORA on numerous aspects of implementing the PBO Act, working to ensure civil society's voice and representation in efforts to improve the NPO regulatory framework.

The Kenyan government has now conducted a sectoral Terror Financing assessment for the NPO sector. The NPO sector TF Risk Assessment was conducted in two parts: the inherent Risk Assessment (2023) and a follow-on review of mitigating measures (2024) to determine the residual risk. The 2024 NPO Sector TF risk assessment report, which assessed the TF threat to NPOs as low – medium, further provides evidence-based policy insights that can inform strategic collaboration to advance risk-based CFT monitoring and oversight that prioritises awareness raising and outreach rather than stringent supervision. The NPO Sector TF Risk Assessment specifically recommended that "Kenya should develop a comprehensive, sustained, and targeted programme of outreach to mitigate potential TF risks in the NPO sector. The measures should be developed by a multi-agency team led by the PBORA in consultation with representative bodies from the NPO sector and donors."

Moreover, the Proceeds of Crime and Money Laundering Act (POCAMLA) was amended in 2025 to remove NPOs from the list of "reporting entities" deemed vulnerable to ML/TF and placed under stringent supervision. In 2023, POCAMLA had also been amended, mandating the use of a risk-based approach when monitoring reporting institutions, which included NPOs at the time. This reflects that the legal framework supports a shift towards a more focused, proportionate, and risk-based approach to AML/CFT oversight and monitoring of NPOs. This is in line with revised FATF REC 8 and the conclusion of Kenya's NPO sector TF risk assessment that the sector has a low risk of exposure to terror financing abuse.

There is an urgent need to leverage and cement these positive developments through strategic partnerships and collaboration to understand and address weaknesses in the AML/CFT oversight and monitoring regime for NPOs. The FATF calls for jurisdictions to apply focused and proportionate measures, in line with the risk-based approach, to protect non-profit organisations identified as potentially vulnerable to terrorism financing abuse without disrupting or discouraging legitimate NPO activities.

Paragraph 8.1 of the FATF methodology for assessing compliance with Recommendation 8 specifically states that countries should:

(a) Without prejudice to the requirements of Recommendation 1, since not all NPOs are inherently high risk (and some may represent little or no risk at all),

- Identify which subset of organisations fall within the FATF definition of NPO, and

- Use all relevant sources of information, in order to identify the features and types of NPOs which, by virtue of their activities or characteristics, are likely to be at risk of terrorism financing abuse;

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14 https://kenyalaw.org/kl/fileadmin/pdfdownloads/Acts/PublicBenefitsOrganisationNo18of2013.PDF

15 https://www.kenyanews.go.ke/pbora-to-fully-implement-pbo-act-2013/

(b) Identify the nature of threats posed by terrorist entities to the NPOs that are at risk, as well as how terrorist actors abuse those NPOs.

(c) Review the adequacy of measures, including laws and regulations, that relate to the subset of the NPO sector that may be abused for terrorism financing support in order to be able to take proportionate and effective actions to address the risks identified; and

(d) periodically reassess the sector by reviewing new information on the sector's potential vulnerabilities to terrorist activities to ensure effective implementation of measures

The Working Group will collaborate and engage strategically with government agencies, financial institutions, and other civil society organisations to achieve these objectives. We will be engaging at the policy level to influence the adoption and implementation of NPO sector CFT measures that are proportionate, risk-based, non-disruptive, and that uphold national and international human rights frameworks.

Introduction

Established in 2020, the Kenya NPO Working Group on the Financial Action Task Force is a loose network that brings together diverse non-profit organisations working in Kenya to promote risk-based AML/CFT oversight and monitoring in Kenya, enhance responsive regulation of the NPO sector, and counter the rising securitisation of the civic space.

The Working Group came together through a shared recognition of the Kenyan government's **misuse and misinterpretation of countering the financing of terrorism and anti-money-laundering(CFT/AML) standards** to enforce arbitrary, unreasonable and unfounded measures that violate human rights and fundamental freedoms, as well as to disrupt legitimate NPO activities, intimidate and attack perceived opponents and civil society actors.

Our working group advocates for greater protection of human rights and risk-based CFT oversight and monitoring of NPOs, without burdensome requirements that threaten civic space. We work to mobilise and coordinate the NPO sector to ensure that the government implements a risk-based approach to AML/CFT oversight and regulation, and address the consequences, both wilful and unintended, arising from misinterpreting FATF Recommendation 8.

Our Impact

Since 2020, the Kenya NPO WG has engaged in policy processes with government agencies, including the Public Benefits Organisations Regulatory Authority (PBORA), towards creating an enabling civic space environment and promoting risk-based AML/CFT oversight and monitoring in Kenya.

Multistakeholder Collaboration and Advocacy

Working Group members Muslims for Human Rights (MUHURI) and Kenya National Civil Society Centre(KNCSC) were involved in the first Kenya NPO Sector Terror Financing risk assessment. In 2024, they formed part of the Technical Group responsible for collecting and analysing data, assessing data in line with the risk assessment methodology and FATF requirements, drafting the report, collecting stakeholder feedback, and validating assessment findings.

The report recommended that the Public Benefits Organisations Regulatory Authority (PBORA) and Business Registration Services (BRS) ensure that any routine monitoring or oversight activities relating to NPOs under their jurisdiction are targeted, proportionate, risk-based, and non-disruptive. It also recommended that the PBORA develop mechanisms to identify the specific NPOs identified as potentially 'at risk' of terrorist financing.

Towards strengthening the risk-based approach to AML/CFT monitoring and oversight, the NPO Sector TF Risk Assessment Report 2024 further recommended various self-regulation measures to strengthen counterterrorism financing efforts within NPOs. These include improving internal governance measures and controls, transparency and accountability in financial management, as well as increasing awareness and capacity of NPOs on AML/CFT regulations, compliance, due diligence, and TF risk identification.

In 2025, the WG partnered with the PBORA to launch the Talk to Your Regulator Initiative (T2R). The Talk to Your Regulator initiative promotes a coordinated approach for NPO engagement with key government agencies such as the Public Benefit Organisation Regulatory Authority (PBORA) and the Financial Reporting Centre (FRC). Central to the project is the creation of regular, structured dialogue among NPOs, financial institutions, and government actors to ensure inclusive participation in national risk assessments and related policy development. It also supports forming NPO-led structures like working groups to advocate for civic space issues related to FATF measures.

Promoting risk-based AML/CFT oversight and monitoring in the NPO sector presents significant complexities due to the need to balance robust compliance with the risk of hindering legitimate operations and activities. This calls for a nuanced approach that works iteratively to influence positive change at policy, political, international, and multilateral levels. It further necessitates collaboration with various stakeholders to develop and implement risk-based AML/CFT approaches tailored to the specific risks and characteristics of NPOs.

The Working Group works strategically to inform national, regional, and global norm-setting and policy processes, taking into account the underlying structures, beliefs, attitudes, and cultures that have enabled poor supervision and regulation of NPOs in Kenya and left the risks of terror financing in the sector largely unidentified.

Awareness and Resilience

Working Group members have also sensitised NPOs on TF threats, identification, and mitigation, as well as the content and implications of AML/CFT standards, laws, and measures for their work and civic space. The WG, led by Muslims for Human Rights (MUHURI) with support from the Fund for Global Human Rights (FGHR), International Centre for Not-for-Profit Law (ICNL), and Human Security Collective (HSC), implemented the "Protecting the Civic Space through the Engagement and Participation of NPOs in the FATF Processes in Kenya" programme. The main target for the programme was NPOs that fall under the FATF definition of Non-profit Organisations.

MUHURI worked with other organisations, including the Global Centre on Cooperative Security (GCCS), the Kenya National Civil Society Centre (KNCSC), and the PBORA, to conduct outreach to NPOs in seven (7) regions of the country, namely Coast, Nairobi/Central, Nyanza, Western, North Rift, Eastern, and North-eastern regions. The main aim of the meetings was to build the capacity of civil society actors on measures to protect NPOs from terrorism financing abuse, including the potential misapplication and abuse of such measures to limit civic space, access to financial services, and humanitarian action. The outreach sessions included a variety of topics covering the inherent vulnerability issues, such as compliance measures, policy development, and due diligence of both partners and beneficiaries. Topics included verifying funding sources and strengthening internal financial controls.

The WG further focuses on facilitating dialogue on how diverse NPOs can build solidarity and strengthen their institutional governance and resilience. The WG leverages the knowledge and experiences of MUHURI to draw relevant lessons from arbitrary and disproportionate TF measures that have the potential to disrupt and discourage civil society work. The WG further works to enhance the capacities of diverse NPOs to participate in CFT policy development measures and engage diverse stakeholders to mitigate threats, safeguard civic space, and advance risk-based, proportionate, and non-disruptive AML/CFT monitoring and oversight measures.

Research and Learning

As Kenya prepared for the 2022 FATF Mutual Evaluation Review (MER) of its AML/CFT national framework, Working Group members produced a Shadow Report in 2021 that provided alternative perspectives of NPOs and civil society on AML/CFT in Kenya. It was prepared with a view to influencing dialogue on money laundering and terrorist financing (ML/TF) risks, the impact of AML/CFT measures on NPOs and capabilities, addressing the limited engagement between government and NPOs, and challenging arbitrary actions by government. The Shadow Report found limited NPO participation, regulatory overreach, and a lack of a clear and risk-based approach by government agencies on AML/CFT oversight and monitoring.

The 2021 Shadow Report recommended that the government

- respect human rights,

- operationalise the PBO Act of 2013,

- conduct more outreach on AML/CFT processes,

- clarify which AML/CFT obligations apply to nongovernmental organisations and,
- clarify which types of NPOs meet the FATF definition of NPOs and which NPOs meet the definition of "designated non-financial businesses and professions" under POCAMLA."

In 2024, the government operationalised the PBO Act and conducted a risk assessment, which identified the subset of organisations that fall within the FATF definition of NPO, and the features and types of NPOs likely to be at risk of terrorism financing abuse.

Working Group Members have also conducted studies on the impact of CT/CFT/AML laws and measures on civic space.[16] With funding support from the Fund for Global Human Rights, Article 19 Eastern Africa, HAKI Africa, the Kenya ICT Action Network (KICTANET), and the Centre for Human Rights and Policy Studies (CHRIPS) conducted related studies in 2023 that revealed the evolving threats to civic space due to abuse of security and counterterrorism justifications and measures.

Article 19 Eastern Africa's *The Impact of Prevention of Violent Extremism, Counterterrorism, and National Security Measures on Civic Space in Kenya* summarises the key reflections on Kenya's context and experiences, as well as the findings and the recommendations arising from the research papers.

CHRIPS' *The Security Playbook: Counter terrorism and Civic Space Restrictions in Kenya*, analyses trends and patterns of abusing counterterrorism and CFT measures to target NPOs and limit the enjoyment of civic freedoms unfairly.

Kenya ICT Action Network's *Surveillance Laws and Technologies used in Countering Terrorism and their Potential Impact on Civic Space* provides insights on the role of digital technologies and tools used by the government in enhancing surveillance under the guise of security and their implication on civic space.

HAKI Africa's *Perception Survey on the Impact of Prevention of Violent Extremism, Counterterrorism and National Security on Civic Space in Kenya* assesses perceptions and knowledge of the civic space actors and human rights defenders in Bungoma, Isiolo, Kisumu, Kwale, Mandera, Mombasa, Nairobi and Nyeri Counties on the existing CT architecture and its impact on civic space actors.

CHRIPS' *A Holistic Approach to Defend Civic Space and Overhaul the Security Playbook in Kenya* considers the strategies for diverse civil society groups to push back against securitised measures effectively. It evaluates various tactics civil society actors use to defend civic space from this security overreach. It focuses on disruptive, protective, reformative, expansive and transformative strategies. The study emphasises the need for reflection, stock-taking and re-strategizing in order to sustain the enormous gains made to protect human rights and civic freedom. It recommends that CSOs working in Kenya require their own playbook that combines multi-faceted strategies to promote community-centred governance of security.

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16 Civic Futures (2024) New reports highlight how the Security Playbook is eroding human rights in Kenya, https://civic-futures.org/new-reports-kenya-security-playbook/

Strategic Framework

Vision

A vibrant, safe and sustainable civil society.

Mission

To advance greater protection of human rights and adoption of risk-based and responsive NPO sector counter terror financing measures.

Values

- **Teamwork:** The Working Group is committed to working cooperatively to achieve our mission, respecting each other's views, and fostering a positive and accommodating work environment and culture.

- **Respect for diversity:** The Working Group values diversity and is committed to respecting diverse cultures, traditions, and experiences, and promoting inclusivity in our work and relationships

- **Transparency:** The Working Group is committed to open and responsible practices in all its operations.

- **Excellence and professionalism:** The Working Group is committed to delivering high-quality programs and services with efficiency and effectiveness, ensuring that our work is impactful and sustainable.

Goals

1. To enhance NPOs' understanding of Terror Financing risks and Mitigation Strategies

2. To safeguard an enabling environment for NPOs by advocating for risk-based, targeted, focused, and proportionate AML/CFT regulatory practices.

3. To enhance evidenced and risk-based interventions, resulting in policies and practices that support a secure and enabling civic space environment.

Key Result Areas

GOAL 1: To enhance NPOs' understanding of Terror Financing risks and Mitigation Strategies		
Awareness and Resilience	**Objective 1:** To raise awareness of NPOs on terror financing threats and the effective mitigation measures they can take.	1. Hold regular forums to foster NPO dialogue and awareness on evolving TF threats, identification, and mitigation strategies. 2. Hold regular forums calling attention to the impact of AML/CFT unintended consequences and abuses on NPOs and fostering dialogue on rights and effective measures to counter securitisation of civic space. 3. Develop and disseminate technical resources, tools, and materials, as well as packaging knowledge and skills on AML/CFT for NPOs.
GOAL 2: To safeguard an enabling environment for NPOs by advocating for fair, risk-based, responsive, targeted, focused, and proportionate AML/CFT oversight and monitoring regulatory practices.		
Multistakeholder Collaboration and Advocacy	**Objective 1:** To build strong relationships, strategic partnerships and meaningful engagements with diverse stakeholders for risk-based and human rights-compliant CFT oversight and monitoring of NPOs.	1. Facilitate multistakeholder dialogue forums with stakeholders for comprehensive, sustained, and targeted collaboration to address gaps and mitigate potential TF risks in the NPO sector, as well as any other trends having an impact on civic space. 2. Collaborate with government and other stakeholders to periodically review the identification of organisations which fall within the FATF definition of an NPO, the assessment of the TF risks posed to them and the measures to address the TF risks identified. 3. Support the creation of a tri-sector coalition for collaboration between governments, NPOs, and financial institutions to develop effective and proportionate measures to protect the sector from terrorist financing abuse. 4. Collaborate with government agencies and provide technical assistance to develop clear guidelines for ensuring CFT monitoring and oversight activities relating to NPOs are targeted, proportionate, risk-based, and non-disruptive.
	Objective 2: To amplify the voice of NPOs in AML/CFT processes.	1. Deliver training to support diverse civil society actors, including journalists, to meaningfully participate in and influence national, regional and global norm-setting and policy processes on AML/CFT and mobilise public support. 2. Develop and disseminate evidence-based resources to empower NPOs on human rights guarantees and holistic approaches to defend civic space and counter security overreach. 3. Jointly design responsive campaigns with diverse NPOs to safeguard civic space and promote an enabling regulatory environment using diverse approaches, including petitions, media, policy advocacy and litigation.

Financial Inclusion	**Objective 1:** To increase the financial sustainability of NPOs.	1. Build meaningful and strategic partnerships based on trust between NPOs and diverse donors, intermediaries, and International NPOs to manage compliance requirements better, enable flexible and long-term quality funding, and address financial access difficulties. 2. Build meaningful partnerships with the private sector, financial institutions, and Fintech companies to harness the technology needed to improve NPOs' financial access, streamline funds transfers, ease compliance requirements, enable them to produce accurate and timely financial transactions, and secure accounting information. 3. Develop training and support to enhance the capacity of NPOs to implement sustainable financing models that enable them to attract and access diverse resources.
	Objective 2: To enhance the capacity of NPOs to manage financial access and de-risking challenges.	1. Develop resources, tools, and guidelines to support banks and financial institutions in ensuring their Customer Due Diligence measures are targeted, proportionate, risk-based, and non-disruptive in line with FATF standards and the 2024 NPO Sector TF Risk Assessment. 2. Work with relevant financial institutions to jointly develop training that enables banks to better support the financial inclusion of NPOs by providing clear and accessible information on banking and AML/CFT requirements for NPOs.

GOAL 3: To enhance evidenced and risk-based interventions, resulting in policies and practices that support a secure and enabling civic space environment.

Research and Learning	**Objective 1:** To inform AML/CFT discourse policy and practice, through high-quality, evidence-based and risk-informed interventions that shape and govern the civic space.	1. Conduct research to identify NPO sector TF threats and vulnerabilities, resilience factors, and mitigation measures adopted by diverse NPOs; 2. Produce credible evidence to inform government engagement and outreach with the NPO sector, and to inform the review of laws and regulations to combat the abuse of NPOs for terrorist financing. 3. Develop and disseminate evidence-based policy insights to support government agencies in developing mechanisms to identify the specific NPOs that have been identified as being potentially 'at risk' of terrorist financing.
	Objective 2: To promote knowledge generation and sharing on terrorism financing for better analysis and decision-making, grounded in robust evidence and risk analysis.	1. Develop a centralised online repository with relevant information on ML/TF measures in Kenya, as well as monitoring and a responsive toolkit for knowledge and skills development of NPOs. 2. Build a community of practice by hosting regular discussions as well as learning and training platforms with NPOs on AML/CFT.

Strategy Map

Implementation Roadmap

Focus Areas

Awareness & Resilience

Multi-stakeholder Collaboration

Financial Inclusion

Research & Learning

Expected Outcomes

Enhanced NPO Understanding

Improved Regulatory Environment

Better Financial Access

Evidence-Based Policies

Success Metrics

Regular Training Programs

Multi-stakeholder Partnerships

Policy Influence & Advocacy

Research Publications

Membership

The Working Group comprises about 35 civil society organisations representing diverse regions, perspectives and expertise.

Shared Goals

Working group members are motivated by the desire to:

- Build resilience among NPOs and enhance the sustainability of the sector
- Protect and expand civic space
- Advocate for fair and risk-based measures through the Working Group
- Build collective action and collaborative efforts among civil society organisations to promote civic space
- Partner and collaborate with multiple stakeholders for risk-based oversight and monitoring, and responsive regulation
- Increase awareness and capacity of NPOs on AML/CFT, and
- Address the consequences of securitisation and overreach.

Roles and Responsibilities of WG Members

Working Group Members are expected to:

- Be committed to the Working Group's mission and values
- Contribute to the shared goals and vision of the Working Group
- Actively participate in coalition activities and events
- Provide support to the Working Group by contributing to human and financial resources, relationships and networks, knowledge and skills, technical expertise, resources, and tools.

Joining the Working Group

The Working Group is founded on the values of inclusivity and respect for diversity. Membership is open to diverse civil society organisations committed to the Working Group's goals, mission and values, and contributing to its activities.

Applicants will fill out a short *Membership Application Form*, detailing their organisational profile, representatives, and interests in the Working Group. The Secretariat will also provide new members with information on the working group's strategy, including our key values, approaches, and structures, and otherwise support their orientation.

The Secretariat will request references from current members and from existing networks to verify applicants' genuine commitment to the Working Group's mission and ability to contribute to its success. This is crucial to facilitate the growth and diversity of the Working Group, while also ensuring safety and due diligence.

The Steering Committee will provide guidance for onboarding new members and give technical advice on applications to join the Working Group.

The Secretariat will update the working group when there are new members.

Steering Committee

The Working Group will observe a participatory, inclusive, transparent, and accountable governance structure, leveraging the strength and diversity of our members. This includes their leadership in civic space and policy advocacy, expertise in various subjects, strong institutional resources and knowledge management foundation, commitment to leadership, strategy implementation, and sustainability.

A voluntary steering committee consisting of five organisations provides leadership and guidance to the Working Group.

The Steering Committee includes the following organisations nominated by WG members.

1. Muslim for Human Rights (MUHURI)
2. Article 19 East Africa
3. The Centre for Human Rights and Policy Studies (CHRIPS)
4. Islamic Relief
5. Transparency International-Kenya

Roles and Responsibilities

- Providing collaborative strategic oversight and direction to the WG by consolidating priority matters relating to the core mandate of the WG.
- Bringing together the NPO WG by convening meetings and forums.
- Leadership and facilitation of networks or linkages with external stakeholders like existing and related Working Groups, Networks, the Private Sector, and State actors.
- Facilitate resource mobilisation to oversee successful funding, implementation of the Working Group's work plan, and attainment of its VMGOs.
- Coordinated rapid response to issues arising on CFT/AML - (e.g., abuse/profiling cases) - tapping into and drawing from the general members based on availability.
- Coordinating delivery of assistance in times of crisis.

Secretariat

The Secretariat will provide the coordination, operational and administrative support necessary for the Working Group to function effectively and achieve its goals.

The Centre for Human Rights and Policy Studies (CHRIPS) hosts the Secretariat.

Roles and Responsibilities

- Managing the day-to-day operations of the Working Group, including scheduling meetings, maintaining records, and handling correspondence.
- Oversee the Working Group's budget, managing expenses, and ensuring financial transparency and accountability.
- Managing the Working Group's Internal communication and providing regular updates
- Communicating to external audiences, stakeholder engagement and representing the Working Group

- Facilitating collaboration and engagement among working group members

- Keeping accurate records of Working Group activities, including meetings, decisions, and financial transactions.

- Planning and providing logistical support for Working Group activities

- Assisting the Working Group's leadership in developing and implementing the Working Group's strategy and work plan

- Supporting the Steering Committee in making transparent and inclusive decisions, prioritising the voice and contribution of all Working Group members.

- Tracking the Working Group's progress, including through collecting data and reporting on its activities, impact and achievements.

- Facilitating monitoring, evaluation and learning to draw actionable insights to improve the Working Group's approach.

Stakeholder Engagement

The Working Group will take a consistent, comprehensive and coordinated approach to stakeholder engagement.

Objectives

The objectives of engaging stakeholders include:

- **Ensuring Understanding:** Ensuring an open, inclusive and transparent process of engagement and communication will ensure that stakeholders are well informed about AML/CFT regulation and Working Group Initiatives.

- **Building Relationships, Trust and Credibility:** Facilitating opportunities for stakeholders to connect, build relationships, and understand each other's perspectives.

- **Identifying shared goals and objectives:** The Working Group will work with stakeholders to identify and build consensus on common goals that can be jointly achieved.

- **Fostering Collaboration and Cooperation**: Actively soliciting input from all stakeholders and creating opportunities for meaningful participation in decision-making processes is crucial.

- **Maximising Impact and Sustainability:** By pooling resources, expertise, and networks, the Working Group will aim to achieve common outcomes and contribute to the long-term sustainability of the Working Group and its impact.

- **Amplifying voices:** Raising the voices of diverse NPOs and ensuring their needs and concerns are addressed.

- **Promoting Learning and Adaptation:** To facilitate sharing knowledge and best practices between stakeholders to promote learning innovation and continuous improvement towards focused and risk-based AML/CFT oversight and regulations.

Types of Stakeholders

The Working Group will prioritise engagement with stakeholders at three levels according to the level at which they are affected by WG actions and decisions.

Primary Stakeholders NPOs	**Secondary Stakeholders** Regulators Financial Institutions	**Tertiary Stakeholders** Private sector Donors Multilateral bodies Law enforcement

Key Stakeholders

The key stakeholders mapped by Working Group members include

Category	Stakeholder Group	Stakeholders
Government	NPO Regulators	NPO regulators • Public Benefits Organisations Regulatory Authority • Business Registration Service • Ministry of Labour and Social Protection • Registrar of Societies
	AML/CFT Regulators and Supervisory bodies	• Financial Reporting Centre (FRC) • Central Bank of Kenya (CBK) • Insurance Regulatory Authority • Kenya Revenue Authority (KRA) • Retirement Benefits Authority • Social Health Insurance Fund • Institute of Certified Public Accountants of Kenya • Law Society of Kenya
	Executive	• Ministry of Interior • Ministry of Finance • Counter Financing of Terrorism Inter-Ministerial Committee (CFTIMC) • Anti-Money Laundering Advisory Board (AMLAB
	Law enforcement Bodies	• National Counterterrorism Centre • Asset Recovery Agency (ARA • Law Enforcement Coordination Group • Anti-Terrorism Police Unit • National Police Service • Directorate of Criminal Investigations • National Intelligence Service
	Oversight bodies	• Kenya National Commission on Human Rights • Commission on the Administration of Justice
Private Sector	Financial Institutions	• Banks
	Corporations and Foundations	• Companies Limited by Guarantee • Foundations & Grant-making Organisations
Multilateral Bodies	Regional	• East and Southern Africa Anti-Money Laundering Group (ESAAMLG) • African Development Bank (AfDB) • Intergovernmental Authority on Development (IGAD) • East African Police Chiefs Cooperative Organisation (EAPCCO)
	International	• Financial Action Task Force • International Monetary Fund (IMF) • World Bank • United Nations • Interpol • MONEYVAL

Civil Society	By Regime	- NGOs - Community-Based Organisations (CBOs) - Companies Limited by Guarantee - Trusts - Societies - Unregistered/Informal NPOs - International NGOs (INGOs)
	By Primary Function	- Service Delivery NPOs - Humanitarian & Emergency Relief NPOs - Advocacy & Human Rights NPOs - Peacebuilding & Conflict Resolution NPOs - Faith-Based Organisations (FBOs) - Environmental & Climate Justice NPOs - Youth, Women & Marginalised Groups NPOs - Cultural & Heritage NPOs - Research and policy-focused NPOs

Stakeholder Engagement Approach

The Working Group will categorise stakeholders based on their level of power and interest. Stakeholders are mapped as follows:

- High Power and High Interest,

- High Power and Low Interest;

- Low Power and High Interest;

- Low Power and Low Interest.

This categorisation allows the WG to plan for different engagement levels and actions. (See Annexe 1 & 2).

NPO Engagement

Paragraph 8.1(a) of the FATF Methodology states that countries should "identify which subset of organisations fall within the FATF definition of NPO." Recommendation 8 does not apply to the entire universe of organisations working in the not-for-profit realm as a whole: it only applies to those organisations that fall within the FATF definition of NPOs.

FATF defines the "NPO" as follows: "a legal person or arrangement or organisation that primarily engages in raising or disbursing of funds for purposes such as charitable, religious, cultural, educational, social or fraternal purposes, or for the carrying out of other types of "good works." The definition excludes:

i) Informal groups of people that do not meet the definition of a legal arrangement;

ii) Legal persons or arrangements or organisations which are not established for 'good works', such as political parties, trade unions, or cooperatives which are primarily engaged in economic activities for the political, personal or financial benefit of members and

iii) Legal persons, arrangements, or organisations not engaged in the raising or disbursing of funds as a main purpose. This might include sports clubs, social associations or religious groups that do not, or only incidentally engage in, the raising or disbursing of funds.

R.8 requires countries to periodically review the identification of organisations that fall within the FATF definition of an NPO, the assessment of the TF risks posed to them, and the measures to address the identified TF risks.

The Working Group will strategically engage with FATF NPOs in Kenya as identified by the NPO Sector TF Risk Assessment. They include:

i. Nongovernmental Organisations (NGOs)

ii. International (Foreign) NGOs

iii. Community-Based Organisations

iv.   Companies limited by guarantee

v.   Faith-Based Organisations under the Societies Act

vi.   Public benefit trusts engaged in fundraising

The Working Group will also develop specific engagement strategies for diverse categories of NPOs in accordance with the nature of activities they engage in (See Annexe 2).

In addition to the categories of NPOs identified in the NPO sector TF Risk Assessment according to their registration and regulation frameworks, the NPO survey also collected information about the type of activities conducted by FATF NPOs. It categorised activities in line with FATF guidance, which distinguishes between 'service-provision NPOs', which provide services such as housing, poverty relief, education, or health care; and those which have 'expressive activities', such as sports and recreation, arts and culture, interest, representation, or advocacy. FATF notes that the terrorism financing risk resides exclusively with service provision NPOs.

Communication

The Secretariat will be the focal communication point for the Working Group.

Communication Objectives

External

1. To communicate the vital role of NPOs and the need to ensure civil society work is not discouraged or disrupted;

2. To persuade stakeholders to adopt and implement enabling and supportive regulatory measures that are not restrictive or coercive;

3. To encourage diverse stakeholders to collaborate and strategically engage to address gaps and deficiencies in the existing AML/CFT framework;

4. To influence stakeholders to adopt effective and risk-based measures that are proportionate to the actual risks posed by NPOs;

5. To increase understanding of the FATF Recommendations, particularly Recommendation 8, and how they affect NPOs;

6. To call attention to the unintended and deliberate consequences of CFT measures that are not risk-based.

Internal

1. To promote a shared vision, goals and values;

2. To foster meaningful collaboration and coordination to achieve strategic objectives;

3. To promote a positive and inclusive culture that reflects WG values and creates a sense of belonging and shared purpose among WG members;

4. To encourage the exchange of lessons and best practices to improve overall effectiveness;

5. To ensure WG members are aware of key progress and objectives, strategic goals, and relevant information.

Target Audiences

The WG will communicate with the following stakeholders.

Primary Stakeholders	Secondary Stakeholders	Tertiary Stakeholders
NPOs	Regulators Financial Institutions	Private sector Donors Multilateral bodies Law enforcement
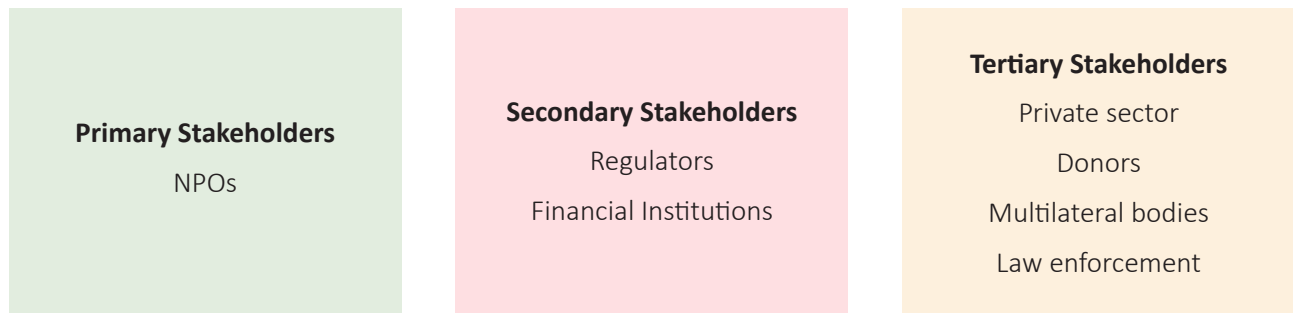
Key Messages

The WG will develop key messages to inform their target audience identified above. The communication will be tailored to broader categories of stakeholders as identified in Annexes 1 and 2.

The key messages will be developed for each stakeholder as guided by the following questions.

- What change do we want to see?

- What do we want the target audience to know- what thoughts do we want them to have?

- What do you want them to feel- what perception do we want to create?

- What do you want them to do- what action do we want as a result?

Communication Channels

The Working Group will use a range of communication channels to engage with target audiences.

- **Email:** Will be the key channel to provide updates and share information on events, both internally and externally.

- **Social Media:** We will use Facebook, Twitter, Instagram, and LinkedIn to share updates, engage with supporters, and build communities.

- **Website and Blog:** Will be the key point for information about the WG, our mission, impact, and initiatives, as well as relevant news and updates.

- **Knowledge Repository:** The WG will create an online repository for centralised access to relevant knowledge material and interactive functions that enable customised and personalised learning support for NPOs.

- **Webinars:** The WG will use conferencing apps, including Zoom, to raise awareness and encourage dialogue on diverse topics.

- **WhatsApp and Signal:** The WG will use secure messaging applications for communication with WG members.

- **Multimedia Content:** We will use videos, infographics, and other visual elements to make messages more engaging.

- **Media:** The WG will partner with media outlets through press releases, Radio, TV, Opinion Editorials, and features to amplify our messages.

- **Print:** The WG will use brochures, posters, letters, leaflets, reports, and other printed material to complement digital efforts.

- **Events:** The WG will host conferences, policy workshops, trainings, information sessions and other events to engage stakeholders directly
- **Newsletters:** The WG will share a quarterly newsletter summarising important updates to members and other subscribers.

Meetings

Working Group members will hold regular and consistent meetings to meet strategic objectives effectively.

1. **Full Working Group**

    a. Quarterly (Online)   b. Biannually (Physical)

2. **Steering Committee**

    a. Monthly (Online)   b. Quarterly (Physical)

The WG Secretariat will set up and notify members of upcoming meetings and handle any necessary preparations and logistics.

Resource Mobilisation

The Working Group will follow a structured framework to guide resource mobilisation activities and efforts towards increasing and diversifying its resource base. This section provides a roadmap for attracting, managing, and utilising resources towards the Working Group's sustainability.

Types of Resources

The Working Group requires various resources to operate effectively and achieve its mission. These include, but are not limited to:

- **Relationships and Networks**: Building relationships with key stakeholders, including other civil society actors, the private sector, government officials, policymakers, international organisations, donor agencies, and global standard-setting bodies, is essential to influence the Working Group's decision-making processes and expand its reach.

- **Financial Resources**: The Working Group requires finances to support operational and strategy implementation costs, including project coordination and activities.

- **Human Resources**: The Working Group requires a dedicated staff within its Secretariat to coordinate the Working Group's activities and provide support on project management, advocacy, resource mobilisation, communications, knowledge management and learning, monitoring and evaluation, and financial management.

- **Knowledge and Skill**s: Members need to develop new skills and knowledge crucial for the long-term sustainability of the working group. This includes relevant financial literacy, research and policy analysis, advocacy in national and multilateral processes, and learning and adaptive programme management; building and sustaining networks; media engagement; and protection.

- **Professional and Technical Expertise:** The Working group requires access to consultants with specialised knowledge for specific interventions.

- **Equipment:** The working group requires video conferencing equipment.

- **Technical Resources and Tools**: The Working Group requires access to tools to facilitate communication, data management, research, and advocacy. These include access to relevant knowledge hubs and repositories, software licences, toolkits and strategies to support the design and delivery of effective interventions.

Potential Sources

The Working Group will work to be financially sustainable and secure partnerships with diverse actors to obtain the resources they need to operate effectively.

Partners will include:

- Working Group Members
- Civil Society Organisations
- International Organisations Working in Kenya
- Donor Aid Agencies
- Private Sector and Foundations
- International Financial Institutions and Development Banks
- Government Ministries and Agencies

Mobilisation Techniques

The Working Group will work strategically to acquire and utilise the resources it needs to achieve its goals and financial sustainability. This includes:

1. **Building and Maintaining Relationships**: The Working Group will invest time building relationships and networks with relevant stakeholders. It will foster strong relationships with relevant stakeholders through regular communication, networking, sharing project updates, and demonstrating accountability to foster trust and long-term support.

2. **Communication:** The Secretariat will maintain consistent communication with stakeholders, keeping them informed about our progress and impact. Members will also maintain responsiveness and transparency, including by openly and promptly addressing any concerns and questions.

3. **Partnerships:** The Working Group will conduct awareness-raising about our work and build strategic partnerships with diverse stakeholders to support its interventions.

4. **Leadership and Accountability:** The Working Group Steering Committee will provide leadership, strategic direction, and support to identify and mobilise resources from potential sources. The Secretariat will also submit quarterly financial reports for review by the steering committee.

5. **Expanding Non-financial Resources.** The Working Group recognises the need for significant non-direct financial contributions, including the time, expertise, and skilled labour volunteered by members.

6. **Mapping and Identification:** The Working Group will map potential sources and tap into existing networks for introductions to other potential partners.

7. **Proposals:** The Working Group will submit proposals to potential funders and respond to expressions of interest. The Secretariat and Steering Committee will work to develop compelling and convincing proposals that clearly articulate a strong project design, the evidence and need for the project, capacity and suitability of the working group, the link between proposed activities and outcome, the specific indicators that will be used to monitor the progress of the project, and justification for the costs

8. **Funding Diversity and Sustainability:** The Working Group will diversify funding sources to ensure members explore various avenues and increase the pool of resources available for sustainable interventions and activities.

9. **Using Resources Effectively:** Implementing sound financial management practices to ensure resources are used efficiently and transparently.

10. **Crowdfunding:** The Working Group will explore crowdfunding to raise funds from a broad audience for specific activities and interventions.

Funding Priorities

In line with the Strategy, the Working Group will focus on the following funding priorities over the next three years.

- **Coordinating the Working Group**- The Secretariat will acquire the necessary funding to coordinate the working group, support its initiatives, and achieve financial sustainability. These include the costs of regular WG meetings, secretariat personnel, communication costs, and institutional capacity building to enhance effective WG coordination.

- **Terror Financing Awareness and Mitigation** - The Working Group will raise general awareness on potential TF risks and measures that individual NPOs can take to mitigate those risks. This includes supporting members and NPOs in putting in place strong governance structures, internal controls, policies, and procedures, as well as having a sound financial management system to prevent financial abuse and misuse of resources.

- **Multistakeholder Collaboration and Advocacy**. The Working Group will secure the necessary funding to facilitate open communication and dialogue with diverse stakeholders, including fellow NPOs, government agencies, the private sector, donor agencies and other actors. Funds will support members to have open and closed sessions with relevant actors through conducting regular dialogue and multistakeholder platforms The Working Group will secure the necessary resources and funding to enable members and diverse NPOs to raise their voices on issues of concern and to champion advocacy for review and reform of laws and policies that may inadvertently have the effect of inhibiting legitimate PBO activity.

- **Research and Learning -** The Working Group will seek the relevant resources that will enable members to support data collection, storage and translation into actionable insights. Members will gather and share the evidence necessary to provide a stronger rationale for future policy and strategic choices in determining NPOs' 'at risk' of terrorist financing; and to influence decision-making on appropriate oversight, monitoring, and regulatory measures. An online repository will be integral to facilitate storage, management and sharing of information in a structured and accessible manner that prioritises continuous learning, collaboration, preservation, and knowledge dissemination.

- **Financial Inclusion** – The Working Group will secure the relevant resources to support NPOs in addressing exclusionary barriers and enhancing financial sustainability. To enhance knowledge on financial management, the WG will prioritise the knowledge and capacity of existing members as well as other stakeholders, including banks, accountants, and finance practitioners. The WG will further work to raise resources to facilitate training workshops and develop guidelines and training material.

Monitoring, Evaluation, and Learning

The Working Group will continuously track its progress, assess its decisions and effectiveness, and make necessary adjustments to meet desired outcomes. The Working Group will put in place a strong Monitoring, Evaluation and Learning framework that will enable regular assessment of its progress and impact, and apply lessons learnt to adjust strategies and improve sustainability.

Sustainability

The Working Group will prioritise creative approaches to ensure the sustainability of the Working Group, given limited resources. It will leverage members' diverse resources, expertise, and networks to meet its objectives. Collaborative partnerships can also lead to increased funding opportunities from a broader range of stakeholders and expanded reach. The Working Group will also foster diverse member perspectives, which will provide the space for members to come up with innovative solutions to address priority issues sustainably.

The Working Group will further cultivate additional resources and membership to meet desired needs, and sustain internal development while progressing towards goals and activities. It will also replenish leaders and members and recruit additional people in order to complete or take on new projects or represent a wider constituency.

By being transparent and maintaining clear and consistent communication, the Working Group will work to build trust and support for its long-term sustainability. It will strive to keep members involved and informed.

The Working Group will prioritise insights and experiences of members to generate and test innovative ideas and solutions to priority challenges, including a focus on strengthening collaboration, diversifying funding, and strengthening the capacity of Working Group members to effectively implement and sustain the coalition's goals.

The Working Group will work to build a loose structure that allows members to engage flexibly and spread responsibilities across members effectively. The Working Group will plan meetings in advance and use a d*oodle polling* tool to let members choose the best time to hold meetings and manage their other responsibilities. We will also engage all partners from inception, foster collaborative and participatory approaches, develop work plans jointly and continuously communicate with members to keep them informed on planned activities and abreast of important developments.

The Working Group will also develop and maintain an online repository to facilitate lifelong learning, access to information, and the sustainable framework of storing, managing and sharing information in a structured and accessible manner, supporting continuous learning, collaboration, preservation, and knowledge dissemination.

Risks and Mitigation

In the recent past, the government has imposed criminal and administrative measures targeting non-state actors working on issues related to violent extremism. This may be a challenge for Working Group members, particularly since some of the members have specifically been targeted in the past. Leveraging the Secretariat and other members' experience in safety and security, the Working Group will work with partners to assess risks and create a security plan, reflecting on the habits, relationships and linkages that will improve the safety and security of individuals within their operational contexts. The Working Group will also build on its rapport with relevant state stakeholders, including the PBO Regulatory Authority, the National Counterterrorism Centre, and the Financial Reporting Centre, and engage strategically to build crucial partnerships and enhance safety and security.

Annexe 1: Stakeholder Engagement Plan (NPO Regulators)

Stakeholder	Description	CFT Role	Influence	Interest	Priorities	Engagement Objectives	Mechanisms
Public Benefits Organisations Regulatory Authority	Established under the PBO Act, 2013, PBORA is responsible for registering and regulating PBOs in Kenya.	Monitors NPO activities to prevent misuse of funds for illicit purposes	High	High	Develop mechanisms to identify the specific NPOs that have been identified as being potentially 'at risk' of terrorism financing. Ensure monitoring and oversight activities relating to NPOs under their jurisdiction are targeted, proportionate, risk-based, and non-disruptive. Obtain capacity and resources to implement the law as intended. Develop a comprehensive, sustained, and targeted programme of outreach and engagement with NPOs to mitigate potential terrorism financing risks.	**COLLABORATE:** Collaborate with PBORA as partners in policy and decision-making	• Policy development • Talk To Your Regulator Forums • Tri-sector coalitions • Developing targeted outreach for NPOs
Business Registration Service	The Business Registration Service is a State Corporation established to administer policies, laws and other matters relating to the registration of Companies and Trusts.	Monitors TF risks of Companies Limited by Guarantee (CLGs) with public benefit purposes and registered under the Companies Act	High	High	Review current registration and reporting systems for CLGs to assess whether they can identify CLGs that fall within risk categories. Ensure monitoring and oversight activities relating to NPOs under their jurisdiction are targeted, proportionate, risk-based, and non-disruptive. Engage Trusts in general awareness raising on potential terrorism financing risks and measures they can take to mitigate those risks. Beneficial Ownership Transparency.	**INVOLVE:** Work directly with the BRS as partners to ensure monitoring and oversight activities are risk-based and proportionate and do not disrupt the work of NPOs registered as companies limited by guarantee.	• Policy development • Talk To Your Regulator Forums

Stakeholder	Description	CFT Role	Influence	Interest	Priorities	Engagement Objectives	Mechanisms
Ministry of Labour and Social Protection	This ministry is responsible for social protection and community empowerment initiatives, including overseeing the registration and regulation of CBOs	Work with other agencies to ensure that social protection programs are not exploited for illicit purposes.	High	Low	Engage CBOs in general awareness raising on potential terrorism financing risks and measures they can take to mitigate those risks.	**INFORM:** To share information on TF threats and mitigation for CBOs	• Information requests • Policy workshops
Registrar of Societies	The Registrar of Societies is due to be replaced as the regulator of FBOs by a Religious Affairs Commission, once it is established.	The draft Religious Organisations Bill will establish a regulatory authority for religious organisations, and will require registration and annual financial reporting.	Low	Low	Establish an appropriate regulatory framework for FBOs.	**CONSULT:** Obtain feedback on the findings of the TF Risk assessment, and suggest follow-up regarding FBO TF vulnerabilities	• Research • Information requests • Policy workshops

Annexe 2: Stakeholder Engagement Plan (FATF NPOs)

Category	Description	Is it a FATF NPO?	How are they affected?	Influence	Interest	Priorities	Key Engagement Objectives	Mechanisms
Nongovernmental Organisations (NGOs	NGOs are entities established for public benefit purposes under the Non-governmental Organisations Co-ordination Act 1990.	Yes	All entities registered with the PBORA meet the FATF definition of NPO, as they are defined as public benefit organisations by the NGO Coordination Act. Eight inherent vulnerabilities were identified.	High	High	Creating an enabling regulatory environment. Institutional resilience, governance and financial controls. Information about FATF processes, requirements, and timelines. Targeted and consistent outreach and awareness on TF threats and mitigation. Proportionate, risk-based and non-disruptive oversight and monitoring.	**COLLABORATE** To collaborate with diverse NGOs to inform risk-based, proportionate, and non-disruptive policies and CFT measures in the NPO sector.	• Training on how to prepare governance documents, strengthen internal oversight, and document activities and funding • T2R Forums • Peer research and learning • Enhance capacity to participate and contribute to policy processes on CFT oversight and monitoring in the NPO sector.

Category	Description	Is it a FATF NPO?	How are they affected?	Influence	Interest	Priorities	Key Engagement Objectives	Mechanisms
International NGOs	INGOs are foreign entities established for public benefit purposes and registered with the PBORA under the Public Benefit Organisations Act.	Yes	All INGOs registered with the PBORA meet The FATF definition of NPO, as they are defined as public benefit organisations under the NGO Coordination Act.[17]	High	High	Creating an enabling regulatory environment. Information about FATF processes, requirements, and timelines. Guidelines on compliance with international standards, including aligning practices with FATF standards.	**INVOLVE.** Work directly with INGOs to ensure their concerns and views are consistently understood and considered.	• Workshops • Documenting and experience sharing
Societies	Faith-Based Organisations are registered as Societies under the Societies Act.	Partial	NPO Sector TF Risk assessment found significant deficiencies in the oversight of faith-based organisations under the Societies Act. A review of the oversight of faith-based organisations is	High	Low	Institutional resilience, governance and financial controls. Information about FATF processes, requirements, and timelines. Guidelines on ensuring CFT measures targeting FBOs are focused,	**INVOLVE.** Work directly with FBOs to ensure their concerns and views (on the findings of the NPO TF sectoral analysis and follow-up action recommended	• Research • Dialogue and learning platforms • Training on how to prepare governance documents, strengthen internal oversight, and document activities and funding • T2R Forums • Training to enhance the capacity to provide feedback on policies and regulations

17 While no significant deficiencies found, The TF assessment found that NPOs with foreign activities perceive a greater terrorism financing risk to their organisation than the average for all NPOs. 55% of these NPOs perceive their risk as 'medium' or 'high' compared to 36% of all NPOs. INGOs also navigate complex regulatory environments. The NPO sector TF assessment acknowledges that s.11(5)(a) of PBO Act requirements may not be consistent with international interpretations of the freedom of association.

Category	Description	Is it a FATF NPO?	How are they affected?	Influence	Interest	Priorities	Key Engagement Objectives	Mechanisms
			already being considered after finding that some may be inherently vulnerable to TF.			proportionate, risk-based, and non-disruptive.	for FBOs) are understood and considered.	• Collaborate to conduct a shadow assessment of the process to review oversight of FBOs.
Companies limited by guarantee	CLGs are corporate entities with public benefit purposes established under the Companies Act and registered with the Business Registration Service.	Partial	The subset of CLGs established for non-profit, public benefit purposes meets the FATF definition of NPOs. The NPO sector TF assessment found that CLGs are subject to an effective regulatory system with comprehensive and accurate information held. While risks were assessed as low, the NPO TF risks assessment found that CLGs are similar in nature and complexity to PBOs and share many of the same risk features.	High	Low	Institutional resilience, governance and financial controls.	**INVOLVE:** Work directly with CLGs to ensure their concerns and views are consistently understood and considered	• Dialogue and learning platforms • T2R Forums • Training to enhance the capacity to provide feedback on policies and regulations

Category	Description	Is it a FATF NPO?	How are they affected?	Influence	Interest	Priorities	Key Engagement Objectives	Mechanisms
Community-Based Organisations	CBOs are established under the Community Group Registration Act, which includes organisations with a mix of public- and mutual-benefit purposes. CBOs must register with the Ministry of Labour and Social Protection. Larger CBOs may convert to NGOs to access additional funding opportunities.	Partial	CBOs meet the FATF definition as they are established for 'good works'. CBOs have been assessed as low risk, given their small size, negligible assets, largely voluntary nature and local focus.	Low	Low	Institutional resilience, governance and financial controls. Awareness of TF threats and mitigation.	**INVOLVE:** Work directly with CBOs to ensure their concerns and views are consistently understood and considered	• Training on how to prepare governance documents, strengthen internal oversight, and document activities and funding • T2R forums
Trusts	Trusts are legal arrangements established under the Trusts Act for the purposes of holding land.	Partial	Charitable trusts allow their property to be used for a public benefit purpose, such as a school, hospital, or orphanage.	Low	Low	Institutional resilience, governance and financial controls. Awareness of TF threats and mitigation.	**INFORM:** Provide access to general information on TF threats and mitigation in the NPO sector.	• Newsletters • Website

Category	Description	Is it a FATF NPO?	How are they affected?	Influence	Interest	Priorities	Key Engagement Objectives	Mechanisms
	Some trusts are registered under a combination of the Trustees (Perpetual Succession) Act and the Trustees Act.		Only public benefit trusts engaged in fundraising meet the FATF definition of NPO. Non-public benefit or non-fundraising public benefit trusts do not meet the FATF definition.					
Social Justice Centres	Movements without legal form. Should they formalise, they would need to register as CBOs.	Partial	Excluded from the FATF definition since they do not raise, hold, or disburse funds, do not have bank accounts, and do not have any legal form. Formalised SJCs, however, need to register as CBOs, which may meet the FATF definition as they are established for 'good works'.	Low	Low	Institutional resilience, governance and financial controls. Awareness of TF threats and mitigation.	**INFORM:** Provide access to general information on TF threats and mitigation in the NPO sector.	• Newsletters • Website

Category	Description	Is it a FATF NPO?	How are they affected?	Priorities	Key Engagement Objectives	Mechanisms
Service-provision NPOs'	Provide services such as housing, poverty relief, education, or health care.	Yes	All entities registered with the PBORA meet the FATF definition of NPO, as they are defined as public benefit organisations by the NGO Coordination Act.[18]	Institutional resilience, governance and financial controls. Awareness of TF threats and mitigation. Advice on participation and engagement with different stakeholders to ensure CFT measures are focused, proportionate, risk-based, and do not disrupt the delivery of humanitarian aid.	**INVOLVE:** Work directly with humanitarian NPOs to enhance their capacity to influence government and standard-setting bodies to embed clear and unambiguous exemptions for humanitarian aid and peacebuilding activities in AML/CFT frameworks.	• Policy workshops • T2R

18 FATF notes that the terrorism financing risk resides exclusively with service provision NPOs. AML/CFT measures can have a devastating impact on the delivery of humanitarian aid, particularly in high-risk areas. Many fit the inherent vulnerabilities identified in the TF risk assessment since they

Category	Description	Is it a FATF NPO?	How are they affected?		Priorities		Key Engagement Objectives	Mechanisms
Expressive NPOs	Engage in activities such as sports and recreation, arts and culture, interests, representation, or advocacy.	Yes	All entities registered with the PBORA meet the FATF definition of NPO, as they are defined as public benefit organisations by the NGO Coordination Act.

Expressive NPOs not found to be at risk. However, numerous expressive NPOs, particularly those focused on governance, advocacy, and human rights, have been unduly targeted by disproportionate and disruptive CFT monitoring measures. | | Institutional resilience, governance and financial controls.

Awareness of TF threats and mitigation. | | **COLLABORATE**

Collaborate with expressive NPOs, leverage their capacity to effectively raise awareness on TF threats and mitigation; conduct strategic advocacy campaigns and guide diverse NPOs on how to participate effectively in policy processes. | • Policy workshops |

Annexe 3: Stakeholder Communication Matrix

Internal Communication

Stakeholder	Communication Objective	Message Content	Channel	Frequency	Timing	Responsible Person	Preparation Required	Expected Outcome
General Working Group	• Keeping the members informed and engaged • Maintaining engagement • Information and Update Sharing **Products:** Monthly Newsletters, Rapporteur Notes, Key WG Highlights	• Updates and Highlights of WG activities • Major Achievements • Lessons Learned • Challenges and Recommendations • Upcoming Events • A Call to Action	Emails Zoom Meeting Physical	Monthly Newsletter Quarterly Bi-Annually	**Last Week of the Month - by 30th** **TBD - Mar, June, Sep, Dec** **TBD - Jan, Dec**	Secretariat		• Active participation and engagement • Timely responses and discussions in decision-making • Sustained interest and active engagement • Occasional contribution and support to WG activities
Steering Committee	• Strategic oversight • Decision-making and guidance • Deciding on core priorities • Reviewing Program or Work Plan Status	• Strategic Updates • Action and Decision Plans • Work Plan Implementation Progress • Budget and Finance/ Resource issues	Zoom Meeting	Monthly	**Last Wednesday of Every Month**	Chairperson of the Steering Committee		• Strategic guidance and alignment
Sponsors		• Project Updates and Progress • Budget Information • Milestones	**Zoom Meeting**	**Monthly**	**1st Day of every Month**	Program Manager	• Zoom Links • An Agenda set out 5 days before the 1st • Automate the sending of the agenda	• Commitment to Resource Mobilisation • Sustainable Networking and Engagement • Lifelong support

	External Communication							
Stakeholder	**Communication Objective**	**Message Content**	**Channel**	**Frequency**	**Timing**	**Responsible Person**	**Preparation Required**	**Expected Outcome**
External CSOs	• Fostering collaboration and partnerships • Building relationships and networks • Sharing and learning Sensitisation and awareness forums	• Calls to Action • Policy Updates • Recommendations/ Insights • WG Progress	Webinars (Dialogue Series) Capacity Building Forums Social Media Platforms	Monthly Bi-annually (social media icons)		Secretariat Steering Committee + Secretariat Secretariat/ Communi-cation support		• Policy influence • Partnership building • Joint initiatives • Broader engagement
State Actors/ Government	• Relationship and trust building • Buy-in and political goodwill • Promoting the uptake of our WG's Policy Recommenda-tions and Advocacy Products Preparing joint sessions and reports Roundtables	• Policy Insights, Recommendations • Research Findings - Reports • Entry point opportunities	Webinars (Dialogue Series) Policy Briefs Courtesy Calls/Closed Meetings Co-creations Social Media Platforms WG Event Invites	Monthly Quarterly ad-hoc ad-hoc (social media icons)		Steering Committee Chairperson Secretariat & WG members Secretariat & WG members Secretariat & WG members Secretariat/ Communi-cation support	• Scheduling meetings • Sending invitations	• Policy influence • Sustainable buy-in and political goodwill • Trust building • Better state-NPO relationships

Stakeholder	Communication Objective	Message Content	Channel	Frequency	Timing	Responsible Person	Preparation Required	Expected Outcome
Development and Regional Partners	• WG progress	• Outcome Reports/ Documents • WG Major Achievements • Impact Stories • Funding and Resource Needs	Dialogue Webinars Closed Meetings Co-creations Social Media Platforms WG Event Invites	TBD		Steering Committee Chair Secretariat & WG members Secretariat & WG members Secretariat/ Communi- cation support Secretariat		• Commitment to Resource Mobilisation • Sustainable Networking and Engagement • New and Lifelong support
General Public Media, Academia, Private Sector	• Enhancing visibility • Enhancing public support • Knowledge sharing • Co-creation of evidence and capacity-building material Products: **Policy Briefs, Training, Materials, Workshops and Forums**	• Research Findings • Major Success/ Impact Stories • Advocacy Messages • Publications • Event Invitations	Progress Reports Newsletters Press Releases Social Media Posting Update Emails Sharing Information and Products	Monthly	Last Week of the Month- by 30th **After Events** **As Often**	Secretariat MEL Person Secretariat Secretariat/ Communication support Secretariat Secretariat		• Knowledge sharing • Collaborative efforts • Joint Initiatives • Public Awareness, Engagement, and Visibility

Stakeholder	Communication Objective	Message Content	Channel	Frequency	Timing	Responsible Person	Preparation Required	Expected Outcome
	Joint training materials development- toolkits, manuals							
	Subject-matter forums							
	Preparing joint sessions and reports							
	Sector roundtables							

Contact Information

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