

## Contact

Andrea Hall | [ahall@charityandsecurity.org](mailto:ahall@charityandsecurity.org)

June 19, 2019

### **Charity & Security Network Announces New Guidance for Banking Nonprofit Organizations**

As a key partner of the Consortium for Financial Access<sup>1</sup>, the Charity & Security Network is pleased to announce the release of a new guidance document, [\*Banking Nonprofit Organizations – The Way Forward\*](#).

The nonprofit sector provides essential services to assist those in need, often in high-risk areas, conflict zones and inaccessible regions. To carry out this vital work, funds must be transferred, often internationally, from donors to organizations, and then to partners, employees and service providers. The inability to do so can significantly delay or cancel lifesaving programs, endanger staff, hinder relationships and trust with vendors and partners and put the well-being of aid beneficiaries at risk. It can also force money into unregulated, less transparent, financial channels, which poses additional risks.

The guidance released today can serve as a resource and reference document for nonprofit organizations (NPOs) and financial institutions (FIs), as well as governments, in an effort to dramatically improve financial access for NPOs and start to reverse this trend known as “de-risking.” The guidance provides information to the financial sector on the NPO community so that FIs can be better equipped to respond to regulatory supervisors on how and why the FIs have provided financial access to NPOs. This includes relevant information on: the way that NPOs work to prevent diversion of assets; distinctions between nonprofit and commercial FI customers; and the application of the risk-based approach. This document also provides NPOs with information on steps they can take to facilitate adequate access to financial services, and sets forth recommendations for governments and financial regulators with regard to steps they can take to increase NPO financial access.

###

The Charity & Security Network celebrates 10 years of advocating for nonprofits that work with vulnerable populations against overzealous regulations that prevent humanitarian and human rights organizations from serving those who need it most. Learn more at [charityandsecurity.org](http://charityandsecurity.org).

---

<sup>1</sup> The Consortium for Financial Access is the outgrowth of a multi-year effort by a committee of various stakeholders, including nonprofit organizations (facilitated by the Charity & Security Network), a number of large multi-national financial organizations, community banks, money services businesses, security firms, credit unions, law enforcement, regulators, advisory firms and academics, who all originally came together under a “stakeholder dialogue” organized by the Association of Certified Anti-Money Laundering Specialists and the World Bank to address the problem known as “de-risking” as it relates to nonprofits.