AfricaRice

Policy on Anti-Money Laundering (AML) and Anti-Terrorist Financing (ATF)

Version 1

Effective Date: 10 June 2026

Table of Contents

Document Management

Functional Area:	Business Ethics
Owner/Contact:	Ethic/Legal Officer
Directorate	Office of Directo General
Approved by:	Board of Trustees
Date of approval:	10 June 2026
Date of Next Review:	09 June2029
Title in English:	Policy on Anti-Money Laundering (AML) & Anti-Terrorist Financing (ATF)
Title in French:	
Related Policies and Procedures	• Code of Ethics and Business Conduct for Personnel. • Policy on Whistleblowing and Protection from Retaliation • Staff Management Policy • Ethics & Business Conduct Escalation Framework • Manual of Procedures for General Services Staff • Internationally Recruited Staff Manual of Procedures • Conflict of Interest Policy • Anti-Fraud, Anti-Bribery and Anti-Corruption Policy • Conflict of Interest Policy • Procurement Policy • Partners Management Policy
History of versions	Version 1
Key points	This is the first version of this Policy

1. Introduction & Purpose

1.1. In recent years, there has been heightened global attention to money laundering (ML), terrorist financing (TF), adherence to sanctions and related ML and TF risks, due to their potential to compromise financial and other systems and impede economic growth and development.

1.2. AfricaRice is committed to promoting and maintaining the highest level of ethical standards in all the Centers' operations. This policy is against money laundering and combat/counter terrorist financing practices. The Center commits to acting fairly, with integrity, transparency, and compliance with the United Nations Convention against Corruption, the United Nations UN Convention for the Suppression of the Financing of Terrorism and respective applicable local laws in all AfricaRice' locations.

1.3. United Nations Security Council Resolutions have reaffirmed the United Nations call to all states to sign, ratify and implement the relevant international conventions criminalizing terrorism and Terrorist Financing. United Nations General Assembly Resolution 60/288 (2006) also encourages the Member States to implement Financial Action Task Force (FATF) international standards.

1.4. The FATF is the main international body responsible for developing and setting international standards for anti-money laundering (AML) activities and countering the financing of terrorism (CFT)

1.5. The FATF issues recommendations that set an international standard for combatting money laundering and the financing of terrorism and proliferation that countries should implement through measures tailored to their circumstances. The FATF routinely assesses countries for the effectiveness of the implementation of the recommendations. The FATF recommendations and effectiveness standards – adjusted as necessary for use by an international financial institution (IFI) rather than a country – will be relied upon by AfricaRice, if applicable, in updating its procedures

1.6. The Center has zero tolerance for money laundering and counter terrorist financing practices in any form. The Centers aim to support its Staff members and key stakeholders to better understand money laundering and counter terrorist financing practices under the policy.

1.7. The Policy subjects all fund flows into and out of all locations of AfricaRice, to regular due diligence screening to monitor and manage risks and take action as required. Several measures, including regular screening through a software solution connected to industry standard databases where available, risk assessments, due diligence procedures, training and periodic reviews, are incorporated to ensure the Policy's effectiveness, implementation and alignment with AfricaRice core objectives.

2. Scope

2.1. This is a Centre-wide Policy applies to all AfricaRice staff, temporary staff, consultants, trainees, interns, and students (referred to as "Staff" or "Staff Members" throughout this Policy). Third parties, including contractors, vendors, service providers, and partners are expected to adhere to the standards set out herein.

2.2. This policy applies equally to members of the Board of Trustees (BoT)

3. Definitions

3.1. **The Financial Action Task Force (FATF):** is an intergovernmental organization created in 1989 by the G7 to tackle the growing problem of the laundering of drug money. In 1996, the FATF shifted its scope from laundering of drug money to the proceeds of all serious predicate offences. FATF currently comprises 35-member jurisdictions and two regional organizations representing most major financial centers in all parts of the globe.

3.2. **Money Laundering (ML):** means the process of concealing or disguising the existence, source, movement, destination or illegal application of illicitly derived property or funds to make them appear legitimate. ML usually involves three stages: -

- **Placement:** The initial entry of illegal cash into the legitimate financial system
- **Layering:** A series of complex transactions (wire transfers, shell companies) designed to conceal the audit trail and hide the source of the funds
- **Integration:** The final stage where the "laundered" money is reintroduced into the economy, appearing as legitimate profit from investments or businesses

3.3. **Terrorist Financing (TF):** means the process by which terrorists fund their operations to perform terrorist acts. There are two primary sources of financing for terrorist activities. The first involves financial support from countries, organizations or individuals. The other involves a wide variety of revenue-generating activities, some illicit, including smuggling and credit card fraud.

3.4. **Staff:** means a person appointed by AfricaRice and governed by Staff Management Policy.

4. Policy Statements

4.1. AfricaRice is committed to the prevention, deterrence and detection of money laundering and counter terrorist financing practices, including taking decisions and acting in a way that is ethical and is in-line with applicable, anti-money laundering and anti-terrorist financing legislations of the countries where AfricaRice operate. As well as acting fairly, ethically and with integrity and transparency in all the Center activities and operations. AfricaRice acknowledges that Staff members and its partners are expected to act honestly, responsibly and with high integrity with respect to AfricaRice core values and local law.

4.2. All persons engaged with AfricaRice have a duty to protect the assets of the Center from and against any form of money laundering and terrorist financing practices

4.3. AfricaRice prohibit any persons (Staff members, implementing partners, suppliers or vendors, service providers) involved in the Center activities and operations from engaging in money laundering and counter terrorist financing practices.

4.4. AfricaRice must not allow any organization or individual to use the Center resources and systems to launder money or to use its funds for terrorist financing purposes and must be vigilant to ensure that AfricaRice does not accept the proceeds of a crime from any organization or individual.

5. Implementation, Monitoring, Compliance & Investigations

5.1. Application of this Policy will be monitored to provide assurance on how well risks identified in this Policy are being managed, including the identification of any new risks

5.2. Relevant, key ML and TF risk indicators will be reported in AfricaRice' Risk Register.

5.3. At various intervals, various internal procedures and guidelines will be reviewed and, if necessary, amended to ensure consistency with this Policy.

5.4. Sub-Agreements with partners, contractors and service providers contracts will be reviewed and, if necessary, the representations and articles that the AfricaRice typically includes in its contract documentation will be reformulated and strengthened to focus more specifically on ML and TF related risks to ensure consistency with this Policy.

5.5. Any allegations on Staff for engaging in practices of money laundering and terrorist financing practices will be investigated in accordance with the relevant AfricaRice disciplinary procedures/Staff Management Policy/IRS & GSS Personnel Manuals.

5.6. Proven breach of this Policy will constitute a disciplinary offence that amounts to gross misconduct, which could result either in summary dismissal in case of staff or termination of an agreement in case of a partner, supplier, consultant or service provider.

6. Training and Awareness

6.1. AfricaRice will provide ongoing training to relevant staff on ML, TF, sanctions applicable to the Center on ML and TF and related ML and TF risks, with special attention to the business/operational units. The main objective of the training is to improve the understanding, abilities, and analytical capacity of relevant personnel with respect to ML, TF, applicable sanctions and related ML and TF risks and their reputational and other impact on AfricaRice operations

6.2. These training initiatives also serve to enhance and foster a compliance culture and capabilities to identify the changing nature of ML, TF, applicable sanctions and related ML and TF activities/risks to enable AfricaRice to react and respond to them in a timely and appropriate manner.

7. Roles and Responsibilities

7.1. Board of Trustees

7.1.1. Review and approve changes and revisions to this policy.

7.1.2. Champion an ethical organizational culture by actively embracing this Policy

7.1.3. Provide oversight for compliance with this Policy

7.2. Director General

7.2.1. Review, approve and implement the provisions of this Policy.

7.2.2. Championing an ethical organizational culture by actively embracing this Policy, setting the tone, and leading by example.

7.2.3. Ensure that all Staff have access to, are familiar with, and know their responsibilities pursuant to this Policy.

7.2.4. Ensure appropriate measures are in place to protect from reprisal/retaliation anyone who reports wrongdoings and makes a good faith report.

7.3. Executive Management Committee

7.3.1. Review and recommend updates and revisions to this policy.

7.3.2. Championing an ethical organizational culture by actively embracing this Policy, setting the tone, and leading by example.

7.3.3. Support the implementation of this Policy.

7.4. Program Leaders/Country Managers/Heads of Units

7.4.1. Remains vigilant in ensuring their staff compliance with this policy.

7.4.2. Immediately report any breach of the policy or suspicion of prohibited transactions to EMC or the Internal Audit Unit.

7.4.3. Ensures that new partners and suppliers provide assurance of non-involvement in money laundering and terrorist financing.

7.4.4. Ensures that staff receive all information relating to this policy as communicated by the Ethics/Legal Office or AfricaRice management and effectively.

7.4.5. Ensures their staff are sufficiently aware on how to comply with relevant anti-money laundering and anti-terrorist financing laws, regulations, policies and procedures in their relevant jurisdictions.

7.5. Ethics/Legal Office

7.5.1. Ensure implementation and adherence to this policy

7.5.2. Review and prepare changes, updates and revisions to this policy.
7.5.3. Organize Regular campaigns across AfricaRice promote awareness of this Policy.
7.5.4. Collaborate with the law enforcement agencies, where necessary.
7.5.5. If deemed appropriate, vets new partners and suppliers and confirms if they are cleared up for compliance purposes.
7.5.6. Ensures that proper anti-money laundering and anti-terrorist financing records are maintained.
7.5.7. Keep abreast of national and international developments in the anti-money laundering and anti-terrorist financing arenas.
7.5.8. Collaborates in the development and implementation of training programs for staff.

7.6. Contracts and Grants Unit

7.6.1. Incorporate relevant clauses in all sub-agreements with collaborators that strongly reflect AfricaRice zero tolerance to ML and TF.
7.6.2. Participate in the due diligence review of partners and collaborators.

7.7. Procurement Services Unit

7.7.1. Carry out due diligence for all vendors, suppliers and services providers before inclusion in the pre-qualified vendors register.
7.7.2. Maintain and regularly update the register of prohibited vendors and service providers.

7.8. Human Resources Unit

7.8.1. Ensures that appropriate background checks are carried out for all recruitment of staff.
7.8.2. Follows up and takes appropriate actions on indications or reports that staff are linked or involved in money laundering or terrorist financing activities.
7.8.3. Coordinate the development and implementation of appropriate training programs for staff, either with staff from the unit or with external consultants.

7.9. Internal Audit Unit

7.9.1. Receives and investigates suspicious activity reported.
7.9.2. Audits the Anti-Money Laundering and Anti-Terrorism Financing Procedure.
7.9.3. Support the development and implementation of training programs for staff.

7.10. Staff

7.10.1. Adhere to the provisions of this Policy.
7.10.2. Take prompt action if they observe any breach or non-compliance to this Policy.
7.10.3. Cooperate fully in any commissioned investigations.
7.10.4. Actively Participate in training programs relating to this Policy.

8. Review

8.1. This policy will be reviewed every three years or earlier if required by the Ethics/Legal Office.
8.2. Any changes made to the Policy will be presented to the Executive Management Committee (EMC) for endorsement and thereafter submitted to the Board of Trustees for approval.

9. Related Documentation

9.1. Code of Ethics and Business Conduct for Personnel.
9.2. Policy on Whistleblowing and Protection from Retaliation
9.3. Staff Management Policy
9.4. Ethics & Business Conduct Escalation Framework
9.5. Manual of Procedures for General Services Staff
9.6. Internationally Recruited Staff Manual of Procedures
9.7. Conflict of Interest Policy
9.8. Anti-Fraud, Anti-Bribery and Anti-Corruption Policy
9.9. Procurement Policy
9.10. Partnership Management Policy