

Improving Climate Resilience of Vulnerable Communities and Ecosystems in the Gandaki River Basin, Nepal

Annex 25: IUCN's Due Diligence Formats

Annex 25.1: Due Diligence and Financial Capacity Assessment

This document assesses the applicant's responses to the Due Diligence and Financial Capacity Questionnaire.

The relevant Finance Manager completes this assessment by selecting the appropriate score for each category. The completed assessment needs to be reviewed and approved by the Head of Programme or Country Office for grants below CHF 50,000, or the Global or Regional Director for grants from CHF 50,000.

1. ORGANISATION INFORMATION

c. Founding documents:

| Risk Level | Age of the organisation | Score |
|------------|-------------------------|-------|
| 0 | More than 10 years | 0 |
| 1 | From 3 to 10 years | |
| 2 | From 1 to 3 years | |
| 3 | Less than 1 years | |

Note: If permit to operate in relevant country/ies is pending, it has to be verified before the award of contract.

2. GOVERNANCE*

a. Governing Body:

| Risk Level | Governing Body | Score |
|------------|------------------------|-------|
| 0 | Governance body exists | 0 |
| 4 | No Governance body | |

b. Is the Governing Body responsible for financial oversight of the organisation?

| Risk Level | Financial Oversight | Score |
|------------|---|-------|
| 0 | Governance body responsible for oversight | 0 |
| 4 | Governance body not responsible for oversight | |

3. LEGAL*

Regulatory filings:

| Risk Level | Regulatory filings | Score |
|------------|---|-------|
| 0 | Organisation fully compliant | 0 |
| 4 | Organisation not up-to-date with regulatory obligations | |

4. FINANCIAL

a. Audit:

| Risk Level | Audit | Score |
|------------|------------------------|-------|
| 0 | Annual audit performed | 0 |
| 4 | No annual audit | |

Annual Financial Statements

| Risk Level | Annual financial statements | Score |
|------------|--|-------|
| 0 | Annual Financial Statements available and satisfactory | 0 |
| 4 | Annual Financial Statements unsatisfactory | |
| 8 | Annual Financial Statements not available | |

b. Financial principles and systems:

i. What computerized accounting software system does the organisation use?

| Risk Level | Financial systems | Score |
|------------|---|-------|
| 0 | Organisation uses accounting software | 0 |
| 4 | Organisation does not use accounting software | |

ii. Does the organisation's accounting system separately record and track income and expenditure for each individual project, grant, or contract?

| Risk Level | Tracking income and expenditure | Score |
|------------|---|-------|
| 0 | Accounting system records separately income and expenditure for individual projects | 0 |
| 2 | Accounting system does not record separately income and expenditure for individual projects | |

iii. Accounting, Procurement and Code of Conduct Policies

| Risk Level | Policies | Score |
|------------|----------|-------|
|------------|----------|-------|

| | | |
|---|-------------------------|---|
| 0 | Policies available | 0 |
| 2 | Some policies available | |
| 4 | Policies not available | |

c. Debt:*

| Risk Level | Debt | Score |
|------------|---|-------|
| 0 | No debt | 0 |
| 2 | Bank loans or other debt (social charges) | |
| 4 | Bank overdraft | |

d. Insurance:*

| Risk Level | Insurance | Score |
|------------|--|-------|
| 0 | A comprehensive set of insurances exist | 0 |
| 2 | Main insurances exist (liability, office, vehicle) | |
| 4 | No insurances exist | |

e. Bank accounts and funds control:*

- i. Does the organisation have any bank accounts held in the name of individuals (instead of the name of the organisation)?

Note: bank account in the name of individual disqualifies the applicant from the award.

- ii. Are at least 2 authorized bank signatories required on all payments above a certain value as determined by organisational policy?

| Risk Level | Payments signatories | Score |
|------------|-----------------------------------|-------|
| 0 | 2 authorized signatories required | 0 |
| 2 | Alternative control satisfactory | |
| 4 | No policies on signing payments | |

- iii. Will any grant funds be kept outside a bank account?

| Risk Level | Funds kept outside a bank account | Score |
|------------|---|-------|
| 0 | All grant funds kept in a bank account | 0 |
| 2 | A cash float is kept and properly safeguarded | |
| 8 | Some funds are kept as cash, no controls in place | |

f. Financial Capacity:

- i. State below the operating budget for the past two financial years, and the estimate for the current year in your organisation's reporting currency.

| Risk Level | Proposed grant's portion of grantee's annual operating budget | Score |
|------------|---|-------|
| 0 | <10% | 0 |
| 1 | 10% - 30% | |
| 3 | 30% - 50% | |
| 6 | 50% - 75% | |
| 8 | >75% | |

- ii. Has your organisation received funding from governments or multi-lateral institutions in the past two years?*

| Risk Level | Funding sources | Score |
|------------|---|-------|
| 0 | Funding from governments/multilateral institutions | 0 |
| 4 | No funding from governments/multilateral institutions | |

- iii. What percentage of the organisation's annual income is provided by grant funding?*

| Risk Level | Overall portion of grant funding | Score |
|------------|----------------------------------|-------|
| 0 | 0-30% | 0 |
| 1 | 31-50% | |
| 2 | 51-75% | |
| 3 | 76-100% | |

5. MANAGEMENT and PERSONNEL

- a. Financial personnel:

| Risk Level | Financial personnel | Score |
|------------|---------------------------------------|-------|
| 0 | Qualified full-time finance personnel | 0 |
| 2 | Qualified part-time finance personnel | |
| 4 | Non-finance personnel | |
| 8 | Non-staff (external) | |

- b. Please indicate the total number of full-time staff employed by the organisation.

| Risk Level | Full-time staff | Score |
|------------|-----------------|-------|
| 0 | >20 | 0 |
| 2 | 6 - 20 | |
| 4 | 1 - 5 | |
| 8 | 0 | |

c. Personnel time management recordkeeping:

| Risk Level | Time recording | Score |
|------------|---|-------|
| 0 | Time-sheets are kept in accordance with accepted standard | 0 |
| 2 | Time-sheets do not comply with accepted standard | |
| 4 | Time-sheets are not kept | |

6. INTERNAL CONTROLS and RECORDS KEEPING

a-c. Purchase approvals and records keeping

| Risk Level | Records keeping | Score |
|------------|--------------------------------|-------|
| 0 | Answer YES to a, b and c | 0 |
| 2 | Answer No to A, YES to b and c | |
| 4 | Answer NO to either b or c | |

e. Does your organisation have adequate segregation of duties?

| Risk Level | Segregation of duties | Score |
|------------|-----------------------------------|-------|
| 0 | Answer NO to i, ii and iii | 0 |
| 2 | Answer NO to i and ii, YES to iii | |
| 4 | Answer YES to either i or ii | |

ASSESSMENT AND RECOMMENDATION (Finance Manager)

Part 1 is split in two. Depending on the nature of the proposed grant or sub-award, either only 1a, or only 1b, or both may be used. This decision is for the Finance Manager.

Part 1a - Overall assessment score and mitigating actions*

| | |
|-------------------------|--------------------|
| Total Score 0 | Mitigating Actions |
|-------------------------|--------------------|

*Suggested mitigating actions include, but are not limited to, the following:

- Increased reporting frequency
- Increased supporting document coverage at the reporting stage
- Financial field visits
- Ad hoc spot checks

Appropriate mitigating actions will need to take into account IUCN's obligations to the donor, the size of the grant, and the circumstances of the project including other mitigating measures already in place.

In most cases, the baseline for mitigating actions will be determined by the donor. For example, if the donor requires quarterly financial reports from IUCN, reporting by the partners/grantees must be no less frequent than quarterly, but could be more frequent if the partner is assessed as 'medium' risk or higher.

Part 1b – I have identified the following particular risks and specific mitigating actions:

| |
|--|
| |
|--|

Part 2 – I confirm that the partner has been checked against the following and is not listed:

- ☐ [UN Security Council Sanctions List](#)
- ☐ [EU Sanctions Map](#)
- ☐ [US Office of Foreign Assets Control Sanctions List](#)

Part 3 - Overall conclusion:

- ☐ **Recommend award of contract**
- ☐ **Qualified recommendation to award contract (see details below)**

| |
|--|
| |
|--|

- ☐ **Recommend NOT TO PROCEED with this sub-recipient**

| | | | |
|-------|------------|-------|-----------|
| Date: | Signature: | Name: | Position: |
| | | | |

APPROVAL (Programme/Country Head below CHF 50,000; Global/Regional Director from CHF 50,000)

| | | | |
|-------|------------|-------|-----------|
| Date: | Signature: | Name: | Position: |
| | | | |

Annex 25.2: Due Diligence and Financial Capacity Questionnaire



DUE DILIGENCE AND FINANCIAL CAPACITY QUESTIONNAIRE

Organisation Name:

Country of Registration:

Due Diligence and Financial Capacity Questionnaire

In order that IUCN may ascertain your capacity to administer funds received, you are kindly requested to complete all questions contained within this due diligence and financial capacity questionnaire.

All information you submit will be treated confidentially and will not be disclosed to any third parties unless required by law. IUCN will keep the information you provide in this Questionnaire for five years and will use it exclusively to determine your organisation's capacity and eligibility to receive grant funding from IUCN.

If your organisation is a public body, please ignore questions marked with an asterisk (*).

7. ORGANISATION INFORMATION

a. Official name of organisation

b. Type of organisation:

Please tick most appropriate option in each column below:

- | | |
|---|---|
| <input type="checkbox"/> For profit | <input type="checkbox"/> Incorporated company |
| <input type="checkbox"/> Not-for-profit / NGO | <input type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Government agency | <input type="checkbox"/> Sole proprietary company |
| | <input type="checkbox"/> Partnership |
| | <input type="checkbox"/> Registered charity |
| | <input type="checkbox"/> Community Network |
| | <input type="checkbox"/> Other (please specify below) |

c. Founding documents:

- i. In what country is your organisation constituted by an appropriate instrument of national law? Please provide copy of statutes or similar founding document, for example a decree for public bodies.

| Country | Title of founding document |
|---------|----------------------------|
| | |
| | |
| | |

- ii. Please confirm that you are able to operate in the country/-ies of the project and provide supporting documentation (e.g. MoU or letter of endorsement from a relevant government agency)¹

Country Title of founding document

| | |
|--|--|
| | |
| | |
| | |

- d. Ownership details (applicable to “For Profit” organisations only).

Please indicate names of owners and percentage (%) ownership below:

| |
|--|
| |
|--|

8. GOVERNANCE*

- a. Governing Body:

Please indicate whether the organisation is governed by:

- ☐ Board of Directors
 ☐ Executive Committee
 ☐ Other
 ☐ No governing body
- (please specify below)

| |
|--|
| |
|--|

- b. Is the Governing Body responsible for financial oversight of the organisation?

- ☐ Yes
 ☐ No

9. LEGAL*

Regulatory filings:

Is the organisation currently fully compliant and up-to-date with all tax, registration and social security obligations?

- ☐ Yes
 ☐ No

If no, please provide details below:

| |
|--|
| |
|--|

¹ Please note that if you expect to be working with IUCN on other projects than the current one, you may wish to add countries not relating to this project, and the relevant documentation, in order to avoid having to update the form each time.

NOTE: If the proposed contract is with one of the following IUCN offices, please provide certification of tax and social security compliance:

ORMACC – Regional Office for Mexico, Central America and the Caribbean;
SUR – Regional Office for South America

10. FINANCIAL

a. Audit:

Does the organisation have an annual audit performed by an independent external auditor or by internal auditor for public bodies?

☐ Yes ☐ No

If yes, please provide a copy of the latest auditor's annual report and management letter. *If the audit report does not relate to the most recent financial year please explain why.*

If you do not have an independent annual audit, or if your independent audit report does not include your Financial Statements:

i. Does the organisation prepare annual financial statements?

☐ Yes ☐ No

If no, please provide explanation below:

ii. Please provide a copy of the organisation's annual financial statements covering the past two years.

b. Financial principles and systems:

iv. What computerized accounting software system does the organisation use?

v. Does the organisation's accounting system separately record and track income and expenditure for each individual project, grant, or contract?

☐ Yes ☐ No

vi. Does the organisation have written policies for the following – please provide copies or web link:

| | | |
|---|------------------------------|-----------------------------|
| Accounting | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Procurement | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Code of conduct, ethics, bribery & corruption (including coverage of conflict of interest) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

c. Debt:*

Does the organization have any debt relating to:

| | | |
|----------------|------------------------------|-----------------------------|
| Bank loans | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Bank overdraft | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Other debt | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

If yes, please provide details below:

| |
|--|
| |
|--|

d. Insurance:*

Please tick the insurance policies and the level of coverage the organisation has below:

| | | |
|-----------------------|--------------------------|-------------------------|
| Third party liability | <input type="checkbox"/> | Amount |
| Office building | <input type="checkbox"/> | Amount |
| Vehicles | <input type="checkbox"/> | Amount |
| Other insurance | <input type="checkbox"/> | Please provide details: |

| |
|--|
| |
|--|

e. Bank accounts and funds control:*

iv. Does the organisation have any bank accounts held in the name of individuals (instead of the name of the organisation)?

☐ Yes ☐ No

If yes, please provide details below:

| |
|--|
| |
|--|

v. Are at least 2 authorized bank signatories required on all payments above a certain value as determined by organisational policy?

☐ Yes ☐ No

Please provide details below, including of any alternative bank and/or payment controls:

| |
|--|
| |
|--|

vi. Will any grant funds be kept outside a bank account?

☐ Yes ☐ No

If yes, please explain the amount of cash to be kept and the name and position/title of the person responsible for safeguarding cash.

| |
|--|
| |
|--|

f. Financial Capacity:

- iv. State below the operating budget for the past two financial years, and the estimate for the current year in your organisation's reporting currency.

| | Currency | Operating Budget |
|---------------|----------|------------------|
| This year | | |
| Last year | | |
| Two years ago | | |

- v. Has your organisation received funding from governments or multi-lateral institutions in the past two years?*

☐ Yes ☐ No

- vi. What percentage of the organisation's annual income is provided by grant funding?*

☐ 0-50% ☐ 76-95%
☐ 51-75% ☐ >95%

- ii. Please list your main donors for the past two years:* (amounts and for how long.)

| |
|--|
| |
|--|

11. MANAGEMENT and PERSONNEL

- a. Financial personnel:

Are the organisation's financial transactions recorded into the company's financial system and overseen by:

☐ Qualified full-time finance personnel ☐ Non-finance personnel
☐ Qualified part-time finance personnel ☐ Other than staff (external)

- b. Please indicate the total number of full-time staff employed by the organisation.

☐ >50 ☐ 1-5
☐ 6-50 ☐ 0

- c. Personnel time management recordkeeping:

Does the organisation have a staff timesheet recordkeeping system?

☐ Yes ☐ No

If yes, please provide a copy of your organisation's timesheet form.

12. INTERNAL CONTROLS and RECORDS KEEPING

- a. Do you have established prior approval procedures for major purchases?
☐ Yes ☐ No
- b. Do you keep invoices and vouchers for all payments made out of grants funds?
☐ Yes ☐ No
- c. Will your organisation be able to keep accounting records including invoices, vouchers and timesheets for at least ten years after the final financial report is submitted?
☐ Yes ☐ No
- d. Briefly describe your organisation's system for filing and keeping supporting documentation.

- e. Does your organisation have adequate segregation of duties?
- i. Does the person who makes entries into the accounting system also prepare the payments?
☐ Yes ☐ No
- ii. Does the person who makes entries into the accounting system also approve the payments and is he or she a bank account signatory?
☐ Yes ☐ No
- iii. Is the person who manages a procurement process sometimes also the recipient of the goods/services?
☐ Yes ☐ No

If your answer is 'yes' to any of the above, please provide an explanation of how your organisation mitigates the associated risks.

13. RELATIONSHIPS

- a. Is the organisation a member of IUCN?
☐ Yes ☐ No
- b. Has the organisation previously worked with IUCN?
☐ Yes ☐ No

If yes, please provide details below:

Checklist - Additional Documentation Requested

To assist in ensuring your due diligence submission is complete, the following checklist of additional documents that you may be required to provide is shown below for your benefit. Please check those boxes that apply regarding additional documents that will be submitted to accompany your completed Due Diligence and Financial Capacity Questionnaire.

- ☐ 1(c)(i) Articles of Incorporation, Constitution, Statutes, Government Decree, as appropriate, etc.
- ☐ 1(c)(ii) Organisation in-country registration certificate (if applicable)
- ☐ 3 Certification of tax and social security compliance (if required)
- ☐ 4(a) Audit report and annual financial statements
- ☐ 4(b)(iii) Accounting, Procurement and Code of Conduct Policies
- ☐ 5(c) Timesheet form

IUCN may request additional documents/information based on the nature of the project and the answers you have provided above.

CERTIFICATION STATEMENT:

"I, the undersigned, hereby certify that I am authorised to represent the organisation, and that all facts and information provided in this Due Diligence and Financial Capacity document are true and correct without omission, error, or mis-statement.

I understand and agree that should the information provided in this Due Diligence and Financial Capacity document subsequently change, IUCN shall be informed in writing of any such change.

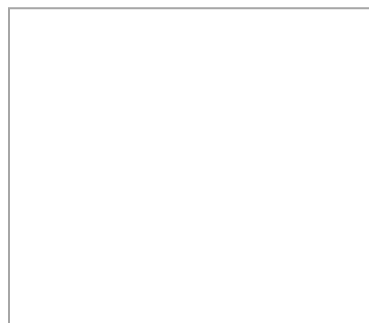
I further understand and accept that IUCN may at its sole discretion amend or terminate any grant or funding agreement awarded to the applicant if any information contained in this document is false or inaccurate."

(Signature)

Name:

Position:

Date:



(Organisation Stamp)

Annex 25.3: Sub-recipient Due Diligence Procedures

Annex 1a

Sub-recipient Due Diligence Procedures

1. Introduction

IUCN is committed to ensuring that it exercises an appropriate and responsible standard of care, competence, and quality in the management, administration, and implementation of all its activities.

Where IUCN works together with partners, sub-recipients, and grantees in the implementation of its activities, IUCN recognizes that as part of good business practice and risk management it is important to know the organization it is proposing to provide funding to, and accordingly undertake appropriate due diligence of prospective partners, sub-recipients, and grantees. This is intended to help ensure that these organizations have adequate systems and structures in place to exercise the standard of care, competence, and quality required by IUCN and its donors, and that any potential risks to IUCN are detected early and mitigated.

For the purposes of this document, all partners, sub-recipients, grantees, and other organizations who received funding from IUCN in order to assist implement IUCN programs or projects, are referred to as “sub-recipients”.

2. Purpose

The purpose of this document is to establish the procedures to be applied in undertaking and assessing due diligence on prospective organizations that may be awarded funding by IUCN to implement activities with, or on behalf of IUCN.

The information gained by conducting due diligence shall be used to provide a recommendation to management regarding the assessed capacity of the organization to adequately manage and administer the proposed level of funding to be provided by IUCN.

This recommendation should be used by management in conjunction with other information at its disposal to form a decision on whether to engage with the organization.

3. Guiding Principles

The following principles shall apply:

- 3.1. Due diligence procedures and assessment shall be applied equally, transparently, and without discrimination, prejudice, or favour.
- 3.2. Due diligence responses from organizations, assessment of due diligence responses, and resultant recommendation to management, shall always be in documented form.

- 3.3. Due diligence procedures and assessment shall be conducted and sign-off approval of satisfactory due diligence results granted, prior to IUCN awarding funding to an organization, and prior to any legal agreement being executed between IUCN and the organization. IUCN should not enter into a legal agreement with a sub-recipient who has not received sign-off approval of satisfactory due diligence results.

4. Responsibility

The CFO shall be responsible for the IUCN Sub-Recipient Due Diligence Procedures.

5. Applicability

- 5.1. The procedures contained in this document shall be applicable as at the Release Date contained in the Code Version Control and History of this document.
- 5.2. The procedures contained in this document shall govern due diligence conducted on all prospective organizations short-listed to receive funds from IUCN in their capacity as implementing partners, sub-recipients, or grantees of IUCN programs or project activities. Short-listed organizations are defined as those who have successfully completed and advanced through all other application and selection criteria, and are finalists to be awarded funding by IUCN.
- 5.3. These procedures do not apply to consultants or contractors from which IUCN procures goods or services as part of project implementation activities. (Please refer to appropriate IUCN Procurement Procedures in such instances).

6. Procedures:

6.1 Completion of the due diligence form.

All sub-recipients shall be required to complete the “*IUCN Sub-Recipient Due Diligence Assessment Form*”. The following procedures shall govern this process:

- a. The standard “*IUCN Sub-Recipient Due Diligence Assessment Form*” (hereinafter referred to as the “due diligence form”) contained in [Annex 1b](#) shall be used to conduct due diligence assessment on all sub-recipients.
- b. Upon an organization being determined as a short-listed organization to potentially receive funding from IUCN, the due diligence form shall be provided to the organization by the Country/Regional/HQ Finance Manager/Officer (hereinafter **Finance Manager**).
- c. The sub-recipient must complete all questions contained on the due diligence form, and submit to the **Finance Manager** when complete. Incomplete or incorrectly completed forms are to be returned to the sub-recipient for proper completion and re-submission.

- d. Supporting documentation as indicated on the due diligence form checklist is required to be provided by the sub-recipient to enable verification and/or support responses to specified questions within the due diligence form. Missing or incomplete support documentation must be provided by the sub-recipient before assessment of the due diligence can be completed by IUCN.
- e. An authorized representative of the sub-recipient's organization must sign the certification statement contained on the due diligence form. An unsigned due diligence form shall not be considered as complete. If the sub-recipient has an organizational stamp this should also be affixed beside the authorized signature.
- f. It is recognized that some sub-recipients, particularly small grantees, may require assistance or clarification regarding completion of the form. In such cases, IUCN personnel may provide such assistance but at no time shall attempt to influence the sub-recipient's responses to the due diligence questions.

6.2 Assessment of due diligence responses

Following submission of a sub-recipient's completed due diligence form and associated supporting documents, IUCN shall review the due diligence responses with a view to forming an assessment on the strengths and weaknesses of the sub-recipient's capacity to manage and administer IUCN funding, and any risks associated with the sub-recipient that IUCN management should be made aware of.

The following procedures shall govern this process:

- a. The completed due diligence form and supporting documents shall be returned to the *Finance Manager*. The *Finance Manager* shall review and assess the due diligence responses. In this regard:
 - i. "Due Diligence Form Assessment Guidance" contained in Annex 1c should be used to assist the *Finance Manager* assess the sub-recipients due diligence responses.
 - ii. Clarification should be sought from the sub-recipient regarding any due diligence responses which are unclear, or require further explanation or follow-up.
- b. The *Finance Manager* shall conduct reference checks by contacting 3 previous donors per details provided by the sub-recipient in section 4 of their due diligence responses.
- c. Upon completion of 6.2(a) and 6.2(b), the *Finance Manager* shall provide a written recommendation to the Programme/Country/Regional Head regarding the outcome of the sub-recipients completed due diligence.

6.3 Approval and sign-off of due diligence findings

Upon conclusion of due diligence assessment and resultant recommendation being provided per 6.2(c) to the Programme/Country/Regional Head, consistent with guiding principle 3.3, approval is required for due diligence sign-off in order to continue forward engaging with the prospective sub-recipient.

The following procedures shall govern this process:

- a. Approval for due diligence sign-off shall be provided by:
 - i. Programme/Country Head for sub-recipient funding amounts less than CHF 25,000
 - ii. Global/Regional Director for sub-recipient funding amounts of CHF 25,000 or above.
- b. The Approver shall form an assessment on whether they consider the sub-recipient to have attained satisfactory due diligence results, or not.

In doing so, the Approver should take into consideration:

- the *Finance Manager's* recommendation per 6.2(c), and
 - any other relevant factors deemed to be important.
- c. If the Programme/Country/Regional Head determines that sufficient risk factors exist and decides s/he does not wish to proceed with the sub-recipients application for IUCN funding in light of due diligence results, this conclusion should be documented. No approval for due diligence sign-off will be sought or provided in such instances.

6.4 Due diligence record keeping

- a. All documents relating to the sub-recipient's due diligence responses, associated management recommendation, and approval of due diligence sign-off, shall be retained by the country office concerned in a suitable filing system. This includes due diligence related to sub-recipients that did not receive sign-off approval.

7. Exemptions:

7.1. Some organizations may decide they wish to request exemption from completing some or all of the questions on the due diligence form, or from providing some or all of the requested supporting documentation required to verify due diligence responses. In such cases the procedure shall be as follows:

- a) A written request for exemption shall be submitted by the sub-recipient to the IUCN Programme/Country/Regional Head.
- b) The request shall be forwarded to the Regional/HQ Finance Manager, who shall consider the request and provide a recommendation to the Regional or Global Director.
- c) Regional or Global Directors shall be the only persons authorized to grant exemption from partial or full completion of the due diligence process.

8. Responsibilities

Country/Regional/HQ Finance Manager/Officer²

- Distribute due diligence form to sub-recipients
- Review and assess sub-recipient's completed due diligence forms.
- Provide written recommendation to Programme/Country/Regional Head regarding sub-recipient's due diligence assessment.
- Provide recommendation to Regional/Global Director for organizations seeking exemption from due diligence processes.

Programme/Country Head:

- Review *Finance Manager* recommendation
- Form an assessment of whether they consider a sub-recipient's due diligence outcome is satisfactory, or not, and whether sign-off approval should thus be provided / sought.
- Provides sign-off approval for funding amount less than CHF 25,000.

Global/Regional Director:

- Review and decide upon requests for due diligence exemption.
- Provides sign-off approval for funding amounts over CHF 25,000.

² The responsibilities of regional vs. Country finance manager is not defined and should be decided upon locally.