

Guideline for managing EU restrictive measures

Adopted by the Secretary General

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Svenska Röda Korset

Valid until further notice

Revised and followed up by (owner) Head of Quality Assurance and Resource Mobilisation and Accountability, International Department

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1 Introduction

1.1 Background

Sanctions or restrictive measures are regulated by legal frameworks at the multilateral, regional and national level. Restrictive measures commonly include the prohibition of certain acts or transactions, including commercial, business and financial transactions, with identified territories, countries, organizations, entities, groups or individuals. There are currently over 40 sanctions regimes by the EU in place. The majority of those are geographic in scope. The EU has also adopted horizontal regimes targeting terrorism, cyber-attacks, proliferation and the use of chemical weapons, and serious human rights violations.

Swedish Red Cross (SRC) is a volunteer-based organisation registered in Sweden, an EU member State. Restrictive measures may be provided in the contract conditions of donor agreements such as those of the European Commission and the Swedish International Development Cooperation Agency (Sida). When humanitarian actors subject to EU law implement actions in environments in which sanctions apply, they have to comply both with the obligations stemming from EU sanctions and with the humanitarian principles. Restrictive measures should however not stand in the way nor impede the delivery of humanitarian assistance.

As a Red Cross National Society, SRC works with respect of our Fundamental Principles, International Humanitarian Law and other international law. SRC supports the work of its implementing partners, Host National Societies, before, during and after crises and disasters and may be supported with humanitarian or development funding instruments.

1.2 Application and scope of the guideline

This guideline applies to staff at SRC working in international operations including the International Department, HR, controllers, and field staff (delegates and national staff). The guideline applies only to international projects and programs that are supported by funding agreements that include provisions on restrictive measures and not to the organisation and its activities as a whole.

1.3 Definitions

EU sanctions map	The European Union (EU) sanctions map provides comprehensive details of all EU sanctions regimes and their corresponding legal acts, including those regimes adopted by the UN Security Council and transposed at EU level.
Restrictive measures / Sanctions	Restrictive measures or sanctions are foreign and security policy tools adopted by States and supranational organizations and institutions, which may include the prohibition of certain acts or transactions, including in particular commercial, business and financial transactions, with identified territories, countries, organizations, entities, groups or individuals, aiming at protecting the relevant State or supranational organization's interests or furthering its policies and objectives.

Screening	Screening is understood to be the action conducted by an organisation to check if its staff, partners, prospective suppliers and service providers selected for a contract, appear on list of sanctions or similar lists such as those maintained by national governments, regional or multilateral institutions such as the European Union or United Nations Security Council.
Vetting	The process of performing a background check on individuals prior to offering them a contract. Vetting is a more in-depth exercise than screening and can include verification of past employment.

2 Swedish Red Cross principles for managing EU restrictive measures

- 2.1.** SRC will not knowingly use grant funds for the direct benefit of any third parties that are subject to EU restrictive measures as provided by the European Union Consolidated List of Sanctions (EU sanctions map). SRC shall make reasonable efforts to take precautions and institute procedures possible to prevent grant funds from being so used.
- 2.2.** The need to ensure the respect for EU restrictive measures must not impede the ability of SRC and its partners to carry out its activities in accordance with our Fundamental principles. SRC follows a risk-based approach and operates from a perspective of do-no-harm towards the communities it serves. It shall maintain the integrity and security of its implementing partners and ensure the effective delivery of humanitarian activities in a neutral, independent and impartial manner.
- 2.3.** SRC will not sign agreements that:
 - 2.3.1.** require screening or vetting of people in need. The principles of humanity and impartiality demand that assistance is provided to all persons in need without any distinction or discrimination;
 - 2.3.2.** require screening or vetting of volunteers involved in the implementation of activities. The Red Cross Red Crescent Movement is a voluntary relief movement. It is not prompted in any manner by desire for gain. Volunteers are committed to uphold the Fundamental principles and Code of Conduct and are not salaried in the projects or programmes. In accordance with the principle of Unity, Red Cross Red Crescent National Societies must be open to all. Any discrimination in the recruitment of members would be a violation of the principle. Screening of volunteers may question SRC and its partners' neutrality and independence;
 - 2.3.3.** prevails prohibitive to the implementation and cooperation in a certain context. The principles of neutrality, impartiality and independence require us not

taking, or being perceived as taking, any sides in any contexts in order to continue being able to serve all people in need and maintain their trust in often very challenging operational environments.

- 2.4. When possible, SRC will negotiate agreements for the exemption or derogation from applicable conditions on restrictive measures that are in breach of the Fundamental principles.
- 2.5. SRC bares the main responsibility for the compliance with back donor agreements. SRC will not transfer risks or incorporate “flow-down” clauses associated with the restrictive measures to its bilateral agreements with partners unless the partner has in place its own policy and procedures for managing EU restrictive measures.

3 Responsibilities

Secretary General is the guideline owner and is responsible for ensuring compliance with organisational systems of prevention, detection, reporting.

International Department Director is responsible for ensuring compliance with organisational systems of prevention, detection, reporting.

Head of Quality Assurance, Resource Mobilisation and Accountability is tasked to follow the policy developments regarding restrictive measures and is responsible for regularly reviewing the guideline and ensuring it reflects the latest legal and commissioning standards; and integrating it with SRC general routines for compliance and accountability.

Heads of Units and Country Representatives are responsible for disseminating the guideline to its staff and making sure it is understood. They are responsible for implementing it within their units, programmes, and partnerships, with appropriate training and support.

Staff are responsible for making themselves aware of the guideline and adhering to it in the international operations.

4 Internal procedures for compliance to restrictive measures

4.1 Screening

SRC will not knowingly use grant funds for the direct benefit of any third parties that are subject to EU restrictive measures as provided by the European Union Consolidated List of Sanctions (EU sanctions map). SRC shall make reasonable efforts to take precautions and institute procedures possible to prevent grant funds from being so used. Efforts include screening of persons against the EU Consolidated List of Sanctions (EU sanctions map) using a screening software to facilitate this process. Screening will be done of three categories of persons:

1. Organisation and staff (SRC)

- Screening of SRC governing board and authorized signatories (Secretary General, department directors) upon appointment and on an annual basis.
- Screening of staff employed, including local staff, at or seconded to the International Department, HR International Operations and Business Control (Verksamhetsstyrning) upon recruitment and thereafter on an annual basis.

2. Partners

- Governing board and authorized signatories (Secretary General, department directors) upon signing of project agreement.
- Staff salaried by the project upon signing of project agreement or new employment contracts.

3. Suppliers and service providers

- Screening of final tenderer for supply, service or works is done before contract is awarded.
- Screening must be done for all contracts of a value of >10,000 SEK.
- Suppliers and service providers must receive information about SRC Terms and General Conditions for procurement of goods and services, including the mandatory compliance with the EU restrictive measures.

The screening will be performed by the following functions at SRC for the different categories of persons:

- 1. Organisation and staff (SRC):** Head of HR International operations
- 2. Partners:** EU Resource Mobilisation Advisor
- 3. Suppliers and service providers:** SRC Logistician

The Head of Quality Assurance, Resource Mobilisation and Accountability provides quality assurance and sign-off for the screening records of all the three above-mentioned categories of screened persons.

4.2 Detection and management response

If a person or entity is detected on the EU Consolidated List of Sanctions the following steps will be taken for the three categories of persons screened:

- 1. Organisation and staff (SRC):** Head of HR International operations informs the Head of HR Department who calls for a Task Force comprising of the Chief of Staff and Head of HR Department. The Task Force is responsible to take appropriate steps in line with established rules and procedures within the organization to address serious misconduct.
- 2. Partners:** EU Resource Mobilisation Advisor informs the International Director who calls for a Task Force comprising of Head of Quality Assurance, Country Representative, Head of concerned Geographical Unit and International Director. The Task Force will develop recommendations for appropriate actions to take. The International Director makes a determination regarding the screening result and appropriate actions.

- 3. Suppliers and service providers:** SRC Logistician informs the International Director who calls for a Task Force comprising of Head of Quality Assurance, Business Controller, Country Representative, Head of concerned Geographical Unit and International Director. The Task Force will develop recommendations for appropriate actions to take. All payments to the payee are placed on hold until the International Director makes a determination regarding the screening result and appropriate actions.

All measures taken and decisions made must be documented in a log and signed by Head of HR Department (for organisation and staff) or the International Director (for partners, suppliers and service providers).

4.3 Documentation and Data protection

All screening searches and results are automatically recorded by the screening software. Reports can be extracted from the software for audit purposes. The data is kept for ten years after closing of the project.

The data must be managed in compliance with GDPR legislation. Persons must be informed that they are subject to screening or vetting against the EU Consolidated List of sanctions and how SRC are processing their personal data information. SRC will not share the personal details with third parties unless consent has been provided on the basis of a consent form or contractual agreement.