Statutory Instrument 98 of 2026.

[CAP. 17:05

Private Voluntary Organisations (Risk-Based Supervision and Protection from Terrorist Financing Abuse) Regulations, 2026

IT is hereby notified that the Minister of Public Service, Labour and Social Welfare in terms of section 28 as read with section 22(5) and (6) of the Private Voluntary Organisations Act [*Chapter 17:05*], has made the following regulations:—

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY

Section

PART II

RISK ASSESSMENT AND APPLICATION OF RISK-BASED APPROACH

PART III

MONITORING AND SUPERVISION OF PRIVATE VOLUNTARY ORGANISATIONS

PART V

INVESTIGATION AND INFORMATION GATHERING

PART I

PRELIMINARY

Title

1. These regulations may be cited as the Private Voluntary Organisations (Risk-Based Supervision and Protection from Terrorist Financing Abuse) Regulations, 2026.

Objective

2. The purpose of these regulations is to—

(a) implement a risk-based approach to the supervision of private voluntary organisations in accordance with FATF Recommendation 8;

(b) ensure that measures to prevent terrorist financing (TF) are proportionate to the risks identified;

(c) to protect the private voluntary sector from terrorist financing abuse without disrupting or discouraging legitimate charitable activities.

Interpretation

3. (1) In these regulations—

"beneficiary" means the natural person, group of persons, or organisation that receives charitable assistance from a private voluntarily organisation;

"beneficial owner" has the meaning assigned to it in section 2 of the Money Laundering and Proceeds of Crime Act [*Chapter 9:24*];

"competent authority" has the meaning assigned to it in section 2 of the Money Laundering and Proceeds of Crime Act [*Chapter 9:24*];

"designated PVO" means a Private Voluntary Organisation identified pursuant to section 6 as falling within the subset of organisations likely to be at risk of terrorist financing abuse;

"FATF" means the Financial Action Task Force;

"FATF definition NPO" refers to the definition of a Non-Profit Organisation adopted by the Financial Action Task Force, limited to entities that primarily engage in raising or disbursing funds for charitable, religious, cultural, educational, social or fraternal purposes;

"high-risk jurisdiction" means a country identified by the FATF or the Financial Intelligence Unit as having strategic deficiencies in its anti-money laundering and counter-terrorist financing regimes;

"risk-based approach" means the identification, assessment, and understanding of terrorist financing risks to which private voluntary organisations are exposed, and the application of Anti-Money laundering (AML) and Counter- Financing of Terrorism (CFT) measures that are proportionate to those risks;

"terrorist financing" has the meaning assigned to it in section 9 of the Money Laundering and Proceeds of Crime Act [*Chapter 9:24*].

PART II

Risk Assessment and Application of Risk based Approach

Sectoral Risk Assessments

4. (1) In carrying out the risk assessment referred to in section 22(3) of the Act, the Minister, in cooperation with the Financial Intelligence Unit and relevant stakeholders, shall conduct a periodic sectoral risk assessment of the private voluntary organisations sector to identify the subset of organizations that fall within the FATF definition of a non-profit organization and are likely to be at risk of terrorist financing abuse.

(2) The assessment under subsection (1) shall identify the nature of threats posed by terrorist entities to private voluntary organisations and the vulnerabilities of the subset of private voluntary organisations identified as falling into the FATF definition of private voluntary organisations.

(3) The Minister shall review the sectoral risk assessment at least once every five years or whenever there are significant changes in the risk landscape.

Categorisation of private voluntary organisations by risk profile

5. (1) Based on the sectoral risk assessment, the Registrar shall classify the subset of private voluntary organisations falling into the FATF definition of PVOs into the following risk categories:—

(a) high risk category which refers to private voluntary organisations with significant exposure to foreign funding from high-risk jurisdictions, those operating in conflict zones, or those engaging in cross-border cash movements exceeding prescribed limits;

(b) medium risk category which refers to private voluntary organisations with moderate exposure to domestic or foreign funding and standard operational risks;

(c) low risk category which refers to community-based organisations with purely domestic funding and operations, and limited financial turnover.

(2) The Registrar shall notify a private voluntary organisation in writing of its risk categorisation in terms of subsection (1) and specify reasons for such categorisation.

(3) Any PVO designated as High-Risk shall be notified in writing of the specific reasons for such designation and shall have the right to appeal the decision in terms of section 22(4) of the Act.

(4) The Registrar shall establish a clear process for a PVO to be removed from the High-Risk Register if they demonstrate that the risk factors in section 6(1) have been mitigated.

(5) The Registrar shall implement a risk-based supervision framework where the frequency and intensity of supervision are commensurate with the risk profile of the private voluntary organisation.

PART III

Monitoring and Supervision of Private Voluntary Organisations

Designation of High-Risk private voluntary organisations

6. (1) A PVO shall only be classified as a "Designated PVO" if, following the formal risk assessment, the Registrar determines it falls within the FATF definition of an NPO at risk of terrorist financing abuse by meeting one or more of the following criteria—

(a) operational risk: it operates in, or provides material support to, an active conflict zone or a jurisdiction with an active terrorist threat;

(b) transaction risk: it engages in regular cross-border movement of cash or equivalent value exceeding US$50,000 to high-risk jurisdictions; or

(c) transparency risk: it utilises complex, opaque structures that intentionally impede the identification of its beneficial owners or controllers;

(2) The Registrar shall apply effective, proportionate, and risk-based supervision to Designated PVOs, ensuring that such measures do not disrupt or discourage legitimate charitable activities.

(3) The Registrar shall maintain a Register of Designated PVOs, which shall be reviewed annually to determine if a designation remains appropriate.

High-risk supervisory measures

7. (1) For PVOs categorised as High Risk, the Registrar shall implement the following enhanced measures—

(a) enhanced reporting: submission of detailed quarterly financial returns, including verified sources of funds and beneficial ownership information of significant donors;

(b) targeted oversight: conduct risk-based, targeted on-site inspections and off-site monitoring of financial statements to verify the end-use of funds;

(c) external audit: requirement for an annual independent external audit with a specific focus on AML/CFT internal controls;

(d) due diligence protocols: mandatory "Know Your Beneficiary" (KYB) and "Know Your Donor" (KYD) procedures for all transactions exceeding US$50,000 as specified in the Second Schedule.

Medium-risk supervisory measures

8. For PVOs categorized as Medium Risk, the Registrar shall implement standard monitoring, including—

(a) submission of standard annual returns and audited financial statements;

(b) periodic off-site monitoring and desk-based reviews of submitted documentation;

(c) requirements to maintain basic records of significant donors and direct beneficiaries for at least five years.

(d) maintaining records of domestic and international transactions for at least five years in a format that allows for the reconstruction of individual transactions and provides, if necessary, evidence for prosecution of criminal activity.

Low-risk supervisory measures

9. For PVOs categorised as Low Risk, the Registrar shall apply simplified measures to reduce the administrative burden—

(a) submission of a simplified annual activity report Form contained in the Third Schedule and a basic financial summary;

(b) exemption from mandatory external AML/CFT audits, provided internal financial records are maintained and available upon request;

(c) monitoring primarily through educational outreach and self-reporting;

(d) providing Low-Risk PVOs with specific guidance and educational materials on the evolving threats of terrorist financing to ensure they maintain their low-risk status;

(e) encouraging of voluntary adoption of internal financial controls through "best practice" toolkits provided by the Registrar.

Enhanced Monitoring of Specific Foreign Funding

10. (1) In this section, a High-Risk Jurisdiction includes—

(a) jurisdictions on the FATF "Black List" (subject to a Call for Action);

(b) jurisdictions on the FATF "Grey List";

(c) any jurisdiction where the PVO cannot independently verify the Beneficial Ownership of the donor.

(2) Notwithstanding previous risk ratings, any PVO receiving a single donation or cumulative annual funding exceeding US$5,000 as specified in the Second Schedule from a "High-Risk Jurisdiction" shall be subject to High-Risk monitoring for that financial year as specified in the Second Schedule.

(3) PVOs receiving the funds referred to in subsection (2) must submit a "Foreign Funding Disclosure Form" to the Financial Intelligence Unit within thirty (30) days of receipt, detailing—

(a) the identity, nature, and beneficial ownership of the donor;

(b) the specific project or humanitarian activity the funds support;

(c) the formal banking channels utilised for the transfer.

(4) The Financial Intelligence Unit and Registrar shall process all foreign funding disclosures expeditiously. Monitoring must be conducted in a manner that avoids any delay in the delivery of essential humanitarian assistance or legitimate development work.

(5) The Financial Intelligence Unit shall maintain an updated and publicly accessible list on its website of all "High-Risk Jurisdictions" as defined in subsection (1) to ensure PVOs can conduct pre-transaction due diligence.

(6) If the Financial Intelligence Unit does not raise a query within fourteen (14) days of receiving a "Foreign Funding Disclosure Form," the PVO may proceed with the expenditure of funds, ensuring that humanitarian projects are not indefinitely delayed.

PART V

Investigation and Information Gathering

Information gathering powers

11. (1) The Registrar shall have the power to compel the production of information from any private voluntary organisation where there are reasonable grounds to suspect involvement in terrorist financing.

(2) Such information may include financial records, beneficiary lists, and partner agreements.

Cooperation with law enforcement

12.The Registrar shall ensure that effective mechanisms are in place to promptly share information with competent authorities, including the Financial Intelligence Unit and law enforcement, in order to take preventive or investigative action against suspected terrorist financing.

Information gathering and investigations

13. (1) The Registrar and the Financial Intelligence Unit shall have the authority to share information regarding private voluntary organisations suspected of terrorist financing abuse.

(2) Information requests to the private voluntary organisations shall be specific and time-bound.

Powers of competent authorities during investigations

14. (1) Where there is a reasonable suspicion of terrorist financing, the Registrar or an authorised officer of the Financial Intelligence Unit or other law enforcement agency may—

(a) enter premises of the private voluntary organisation to inspect records;

(b) seize relevant financial documents.

(2) The Registrar shall have the power to issue compliance orders where a PVO is found to have weak internal controls, allowing the private voluntary organisation a period of ninety days to comply before any penalties are considered.

(3) The Financial Intelligence Unit may request beneficial ownership information from any PVO categorized as High Risk or medium risk to ensure funds are not being diverted to proscribed individuals or entities.

Revocation or suspension of registration

15. (1) The Registrar shall revoke the registration of a private voluntary organisation if it is found to have knowingly provided support to a terrorist organisation or if it persistently fails to comply with high-risk supervisory measures.

(2) Any revocation under this section must be proportionate to the severity of the violation and subject to appeal in the Administrative Court.

Removal of office bearers

16. The Registrar shall order the removal of any office bearer, trustee, or employee of a private voluntary organisation who is designated as a terrorist or terrorist associate under the Suppression of Foreign and International Terrorism Act [*Chapter 11:21*].

Gazette publication of revocations

17. The Registrar shall publish in the *Gazette* and on the official website of the Board of the private voluntary organisation the names of any private voluntary organisations whose registration has been revoked for terrorist financing abuse.

PART VI

International Cooperation

International Requests

18. (1) The Financial Intelligence Unit shall be the point of contact to respond to international requests for information regarding particular PVOs suspected of terrorist financing.

(2) Upon receipt of a valid request from a foreign counterpart, the Financial Intelligence Unit shall provide relevant information to the Registrar and relevant competent authority promptly, subject to the protection of fundamental rights and data privacy laws.

PART VII

Self-Regulation by Private Voluntary Organisations

Recognition of Self-Regulatory Bodies

19. (1) The Registrar may, upon application, grant Recognized Status to any private voluntary organisations umbrella body, forum, or association that represents a significant sector of private voluntary organisations, provided that the body—

(a) has a registered constitution and a clearly defined membership;

(b) maintains an active, written Code of Conduct regarding AML/CFT compliance and financial transparency;

(c) possesses a mechanism to enforce adherence to this Code among its members, including the power to censure or expel non-compliant members.

(2) A Recognised Self-Regulatory Bodies (SRB) may submit its Sectoral Code of Conduct to the Registrar for approval and the Code must include minimum standards for—

(a) Know Your Donor (KYD) procedures;

(b) verification of beneficiary lists to prevent funds diversion;

(c) maintenance of audit trails for cross-border fund transfers;

(d) protection of whistle-blowers within member organisations.

(3) Where a private voluntary organisation is a certified member in good standing of a Recognized SRB and adheres to an approved sectoral code of conduct, the—

(a) registrar shall consider this a primary mitigating factor when conducting the Sectoral Risk Assessment under section 4;

(b) private voluntary organisation shall be eligible for reduced due diligence (rdd) measures during routine inspections;

(c) private voluntary organisation shall be prioritised for "Low Risk" categorisation.

(4) The Registrar shall meet with Recognised SRBs at least twice annually to discuss emerging terrorist financing trends.

(5) SRBs may confidentially alert the Registrar to specific risks or bad actors within the sector without breaching their own member confidentiality, provided such information is given in good faith to protect the integrity of the sector.

(6) The Registrar may revoke the "Recognised Status" of an umbrella body if it fails to enforce its code of conduct or if it is found to be complicit in concealing the non-compliance of its members.

(7) Every PVO in the subset falling under the FATF definition of PVOs shall implement controls including—

(a) governance and conflict of interest registers;

(b) financial controls including dual authorisation and proper procurement policies and or procedures;

(c) due diligence on donors and beneficiaries;

(d) UNSC sanctions screening;

(e) record-keeping for five years;

(f) report suspicious transactions and;

(8) Any designated Private Voluntary Organisation shall notify the Registrar within thirty days of any material change in funding sources or conditions.

(9) Where a private voluntary organisation fails to notify the Registrar in terms of subsection (4) it shall be liable to a fine not exceeding level 10.

Minimum internal control requirements

20. (1) Every private voluntary organisation shall maintain internal controls appropriate to its size and risk profile to ensure funds are fully accounted for.

(2) High-risk private voluntary organisations must implement:—

(a) procedures to verify the identity, credentials, and good standing of beneficiaries and associate private voluntary organisations;

(b) controls to ensure funds are not diverted to support terrorist acts or organisations.

PART VIII

Outreach and Best Practices

Outreach and education programmes

21. (1) The Registrar shall, in collaboration with the Financial Intelligence Unit, conduct regular outreach programmes to raise awareness among private voluntary organisations regarding—

(a) potential vulnerabilities of private voluntary organisations to terrorist financing abuse;

(b) terrorist financing risks seeking to exploit the private voluntary organisations sector;

(c) measures that private voluntary organisations can take to protect themselves against such abuse;

(d) terrorist financing typologies and risks;

(e) best practices for donor and beneficiary due diligence;

(f) protecting the organisation from abuse by terrorist entities.

(2) The Registrar shall work with the private voluntary organisations sector to develop and refine best practices to address terrorist financing risks and vulnerabilities.

(3) The Financial Intelligence Unit shall disseminate a TF Typology Report for the private voluntary organisations sector, detailing actual methods used by terrorists to abuse the sector, to assist PVOs in self-identifying risks.

Guidance and best practices

22. The Registrar in collaboration with the Financial Intelligence Unit shall issue guidance illustrating best practices for creating an audit trail of funds, transparency in administration, and conducting risk assessments, tailored to the capacity of different private voluntary organisations.

Consultative Forum

23. (1) There shall be a Private Voluntary Organisations Consultative Forum with representatives from the Private Voluntary Organisations Board, the Financial Intelligence Unit (FIU), and diverse representatives of the PVO sector.

(2) The Forum shall meet at least once every year to discuss emerging risks and the implementation of these regulations and any other relevant issues to the sector.

PART IX

Sanctions

Violations and penalties

24. (1) Any PVO that contravenes the provisions of these regulations commits an offence and penalties may include—

(a) written warnings;

(b) administrative fines;

(c) suspension of registration;

(d) freezing of assets in accordance with the Money Laundering and Proceeds of crime Act; or

(e) dissolution of the private voluntary organisation in the most egregious cases.

(2) Penalties for non-compliance shall be effective, proportionate, and dissuasive.

(3) As guidance, penalties for non-compliance with these regulations shall be graduated and proportionate including:—

(a) Level 1: Written warning and mandatory training;

(b) Level 2: Administrative fines proportional to the private voluntary organisation's annual budget;

(c) Level 3: Temporary suspension of specific high-risk activities;

(d) Level 4: Deregistration (Only as a last resort for proven criminal intent or repeated refusal to remediate).

Specific offences

25. (1) Any private voluntary organisations that knowingly funds or supports terrorism commits an offence and is liable to the penalty under section 9 of the Money Laundering and Proceeds of Crime Act [*Chapter 9:24*].

(2) Where any private voluntary organisation fails to comply with a directive issued under section 7 (high-risk supervisory measures) such PVO commits an and shall be liable to a fine not exceeding level 12.

Freezing of assets and designated persons

26. (1) When competent authority becomes aware that funds received by private voluntary organisations are intended for or have been used by a designated person or organisation, it shall immediately freeze those funds and notify the Financial Intelligence Unit and Registrar.

(2) Private Voluntary Organisations must comply with any directive to freeze, seize or forfeit funds under any other relevant legislation or UN Security Council measures.

Revocation or suspension of registration in general

27. (1) Subject to subsections (2) and (3), the Registrar shall have the power to revoke registration of a private voluntary organisation found in violation of the Act or these regulations.

(2) Before revoking a certificate of registration in terms of subsection (1) the Registrar shall cause written notice of his or her intention to do so to be given to the secretary of the organisation concerned, and shall afford it a reasonable opportunity of showing cause why the certificate must not be so revoked.

(3) The revocation of a certificate of registration under this section shall be published by the Registrar in the *Gazette*.

(4) In addition to the powers in subsection (1), the Registrar shall have the power to instruct a private voluntary organisation to suspend or remove a director, trustee, employee or other office bearer as is necessary to ensure that the private voluntary organisation adheres to these regulations or to the Act.

(5) Before taking any action in terms of subsection (4), the Registrar shall inform the private voluntary organisation concerned, in writing, of the contravention of which it is believed to be guilty and, in substance, the grounds for that belief and shall afford the private voluntary organisation an adequate opportunity to make representations in the matter:

Provided that, where the Registrar considers that immediate action is necessary to prevent irreparable threat, harm, the Registrar may take such action before affording the private voluntary organisation an opportunity to make representations in terms of this subsection and then notify the private voluntary organisation afterwards.

PART X

General

Record-keeping obligations

28. (1) Private voluntary organisation shall maintain records of domestic and international transactions for a minimum period of five (5) years.

(2) Records must be sufficiently detailed to verify that funds have been received and spent in a manner consistent with the private voluntary organisation's charitable purpose.

(3) Every private voluntary organisation shall maintain—

(a) up-to-date registers of its members, trustees, directors and key employees;

(b) accounting and financial records for a minimum of seven (7) years;

(c) records of donors, beneficiaries and transactions above such thresholds as specified in the Second Schedule.

(4) Records referred to in subsection (3) shall be made available to the Registrar, the Financial Intelligence Unit, and any other competent authority upon lawful request.

Reporting obligations

29. (1) Private voluntary organisations shall promptly report to the Financial Intelligence Unit any suspicious transactions or activities that indicate funds may be intended for terrorist financing.

(2) Such reporting shall be treated confidentially and protected from civil or criminal liability.

(3) Every Private Voluntary Organisation shall submit suspicious transaction reports promptly to the Financial Intelligence Unit when there are reasonable grounds to suspect funds relate to terrorist financing or money laundering.

(4) Every Private Voluntary Organisation shall notify the Registrar together with the Financial Intelligence Unit of any cash or near-cash donation(s) and disbursement(s) exceeding the threshold set out in the Second Schedule within seven (7) working days.

(5) Cross-border transfers above the threshold shall be reported together with supporting documentation.

(6) The Report made in terms of subsections (1) and (2) shall follow the Financial Intelligence Unit reporting format and channels.

(7) Internal escalation procedures must be followed prior to filing suspicious transaction reports, but filing to the Financial Intelligence Unit must not be delayed (must not be later than 3working days after forming the suspicion).

Confidentiality and data protection

30. (1) Information reported to the Registrar or the Financial Intelligence Unit shall be subjected to confidentiality and may only be disclosed as permitted by law of general application.

(2) Nothing in these regulations shall prevent lawful sharing of information between competent authorities for AML/CFT purposes.

Forms and notices

31. The Registrar may issue forms, guidelines, and threshold notices required under these regulations, including registration, donor due diligence forms, suspicious transaction report templates, and reporting timelines.

FIRST SCHEDULE (*Section 29*(*4*))

CRITERIA FOR DETERMINING HIGH-RISK JURISDICTIONS AND RISK ASSESSMENT INDICATORS

1. Primary Criteria for High-Risk Jurisdictions

For the purposes of these regulations, a jurisdiction shall be deemed "High-Risk" if it meets any of the following criteria—

(a) inclusion on the FATF "Black List" (Jurisdictions under a Call for Action) or the FATF "Grey List" (Jurisdictions under Increased Monitoring) specifically for deficiencies in Counter-Terrorist Financing (CFT) controls;

(b) designation by the Financial Intelligence Unit (FIU) of Zimbabwe based on reliable intelligence concerning the flow of illicit funds or terrorist activity;

(c) jurisdictions subject to United Nations Security Council Sanctions related to terrorism or the financing of proliferation of weapons of mass destruction;

(d) countries identified by credible international bodies (e.g., World Bank, IMF) as having significant institutional corruption or lack of transparent financial oversight.

2. PRIVATE VOLUNTARY ORGANISATIONS-Specific Risk Indicators (The "Subset" Identification)

In categorising a PRIVATE VOLUNTARY ORGANISATION as "High Risk" under Section 4, the Registrar shall consider the following "High-Risk" indicators—

(a) Operational Proximity: PRIVATE VOLUNTARY ORGANISATION operating in or near active conflict zones or areas where known terrorist groups exercise territorial control or significant influence;

(b) Financial Complexity: PRIVATE VOLUNTARY ORGANISATIONS utilising complex offshore structures, shell companies, or unexplained "middle-man" entities for the transfer of humanitarian funds;

(c) Cash-Intensive Operations: PRIVATE VOLUNTARY ORGANISATIONS that move significant volumes of physical cash across borders without using regulated formal banking channels;

(d) Foreign Directorship Ties: PRIVATE VOLUNTARY ORGANISATIONS whose office bearers or beneficial owners are currently designated on international or domestic terrorism watchlists;

(e) Past Non-Compliance: A history of failing to provide an audit trail for funds received from jurisdictions identified in Paragraph 1 of this Schedule.

3. Indicators of Lower Risk (Safeguards against Over-Regulation)

A PRIVATE VOLUNTARY ORGANISATION shall generally be considered **Low Risk** if—

(a) it is a community-based organisation (CBO) serving local needs with 100% domestic funding.

(b) its total annual turnover falls below the "Small PRIVATE VOLUNTARY ORGANISATION" threshold as determined by the Minister.

(c) it has a demonstrated history of transparency, including publicly accessible annual reports and audited accounts by reputable firms.

(d) its activities are limited to low-risk sectors such as local sports, arts, or traditional cultural heritage conservation.

4. Review and De-listing Mechanism

(1) The Registrar shall review the list of High-Risk Jurisdictions every **six months** to ensure it reflects current global and regional security dynamics.

(2) A PRIVATE VOLUNTARY ORGANISATION categorized as "High Risk" based on these criteria may petition the Registrar for a re-categorisation review if it can demonstrate—

(a) implementation of enhanced internal AML/CFT controls;

(b) cessation of operations in high-risk zones; or

(c) a change in its funding structure to utilize only low-risk, transparent financial channels.

SECOND SCHEDULE (*Sections 7, 9, 10, 28 and 29*)

THRESHOLDS FOR MONITORING, REPORTING AND ENHANCED DUE DILIGENCE

1. General Reporting Thresholds

All Private Voluntary Organisations (PRIVATE VOLUNTARY ORGANISATIONS) shall adhere to the following basic reporting requirements—

(a) Annual Income Threshold: Any PRIVATE VOLUNTARY ORGANISATION with an annual gross income exceeding US$5,000 (or its equivalent in local currency) must submit a simplified annual financial summary.

(b) Audited Accounts Threshold: Any PRIVATE VOLUNTARY ORGANISATIONS with an annual gross income exceeding US$50,000 must submit audited financial statements prepared by a registered public auditor.

2. High-Risk Transaction Triggers (Enhanced Due Diligence)

A PRIVATE VOLUNTARY ORGANISATION categorised as Medium or High Risk under Section 4 must perform Enhanced Due Diligence (EDD) and notify the Registrar/FINANCIAL INTELLIGENCE UNIT when—

(a) Single Large Donation: A single donation is received from a foreign source exceeding US$10,000.

(b) Aggregate Foreign Funding: Total funding from a single foreign jurisdiction categorised as "High-Risk" in the preceding Schedule exceeds US$25,000 in a financial year.

(c) Cross-Border Cash Movement: The PRIVATE VOLUNTARY ORGANISATION or its agents transport physical cash or bearer negotiable instruments across Zimbabwean borders exceeding US$2,000 per trip.

3. Terrorist Financing (TF) Red Flag Triggers (Mandatory Reporting)

The following activities constitute "Suspicious Activity" and must be reported to the Financial Intelligence Unit (FIU) within 72 hours, regardless of the monetary value involved:

(a) Identity Discrepancies: Receipt of funds where the donor's identity is obscured through multiple layers of intermediaries or shell companies.

(b) Unusual Transaction Patterns: Sudden, unexplained spikes in funding that do not align with the PRIVATE VOLUNTARY ORGANISATION's historical activity or stated charitable objectives.

(c) Sanctioned Parties: Any attempted transaction involving a person or entity listed on the United Nations Security Council Consolidated List or domestic freezing lists.

(d) Diversion of Assets: Identification of PRIVATE VOLUNTARY ORGANISATION resources (vehicles, equipment, or food aid) being utilized by unauthorized non-state armed groups in operational areas.

4. Beneficiary Thresholds (Know Your Beneficiary - KYB)

(a) Individual Grants: PRIVATE VOLUNTARY ORGANISATIONS providing direct cash transfers or high-value goods to individuals must maintain identity records for any beneficiary receiving more than US$500 in a single transaction or US$2,000 cumulatively in a year.

(b) Institutional Partners: PRIVATE VOLUNTARY ORGANISATIONS partnering with "Associate PRIVATE VOLUNTARY ORGANISATIONS" or sub-grantees for project implementation must conduct a risk assessment of the partner if the sub-grant exceeds US$10,000.

5. Administrative Fine Thresholds (Section 25)

(1) Failure to report a high-risk transaction under Paragraph 2 shall attract an administrative penalty of 2% of the transaction value.

(2) Persistent failure (more than three instances in a financial year) to meet record-keeping thresholds shall result in the suspension of the PRIVATE VOLUNTARY ORGANISATION'S operating license pending a full compliance audit.

THIRD SCHEDULE (*Section 9*)

FORMS

PVOR1

PRIVATE VOLUNTARY ORGANISATIONS-LR

ANNUAL SIMPLIFIED RETURN FOR LOW-RISK ENTITIES

(To be completed by PRIVATE VOLUNTARY ORGANISATIONS categorised as "Low Risk" with an annual income below the prescribed threshold)
Reporting Period: 1 January 20___ to 31 December 20___

PART A: ORGANISATION DETAILS

1. **Name of PRIVATE VOLUNTARY ORGANISATION:** ____

2. **PRIVATE VOLUNTARY ORGANISATION Registration Number:** ____

3. **Physical Address of Operations:** _____________________________

4. **Contact Person (Chairperson/Secretary):** _______________________
   Phone:_____________________Email:__________________________

PART B: ACTIVITY SUMMARY

(Briefly describe your activities to demonstrate they align with your registered charitable objectives. Do not attach full project reports.)

1. **Primary Location(s) of Activities** (e.g., Ward, District, Village): ____

2. **Key Activities Undertaken:**
   - o Educational Support (School fees, books, etc.)
   - o Health/Medical Assistance
   - o Food Security/Agriculture
   - o Religious/Faith-based Charity
   - o Sports/Arts/Culture
   - o Other (Specify): ____

3. Estimated Number of Beneficiaries: ___________________________

PART C: SIMPLIFIED FINANCIAL DECLARATION

*(Note: Audited accounts are **NOT** required for this form if total income is below US$50,000. You may submit this self-declared summary based on your internal cash book.)*

1. Income (Money Received)

Source Category	Amount (USD)	Amount (ZiG)
Membership Fees/Local Contributions		
Local Donations (Individuals/Companies)		
Income Generating Projects (Sales/Services)		
TOTAL INCOME	**$**	**ZiG**

2. Expenditure (Money Spent)

Expense Category	Amount (USD)	Amount (ZiG)
Direct Project Costs (Food, School Fees, etc.)		
Administrative Costs (Rent, Transport, Utilities)		
Staff Stipends/Allowances		
TOTAL EXPENDITURE	**$**	**ZiG**

3. Declaration of Foreign Funding (If any)

Did the PRIVATE VOLUNTARY ORGANISATION receive any funds from outside Zimbabwe during this period?

[ ] **NO**

[ ] **YES** *(If YES, total amount: US$ _________. Note: Receipt of small foreign donations does not automatically disqualify you from Low-Risk status unless it exceeds the High-Risk threshold).*

PART D: GOVERNANCE AND COMPLIANCE CHECK

1. Have there been any changes to the Executive Committee (Board) during this year?
   - o No
   - o Yes *(If Yes, attach a separate list of new office bearers with ID numbers)*
2. Does the PRIVATE VOLUNTARY ORGANISATION currently hold a valid bank account in the name of the organisation?
   - o Yes
   - o No

3. Political Non-Partisanship Declaration: I com that the resources of this PRIVATE VOLUNTARY ORGANISATION have **not** been used to support any political party or candidate, in compliance with the Act. [ ] (Tick to Confirm)

PART E: DECLARATION OF TRUTH

We, the undersigned, declare that the information provided in this return is true and correct to the best of our knowledge. We understand that providing false information is an offence under the Act.

Chairperson: _____________ Signature: ___________ Date: ___________

Treasurer: _____________ Signature: ___________ Date: ___________

GUIDANCE NOTE FOR FILLING FORM PRIVATE VOLUNTARY ORGANISATIONS-LR

1. **Who can use this form?**

This form is strictly for PRIVATE VOLUNTARY ORGANISATIONS that have been notified of their **"Low Risk"** status by the Registrar OR PRIVATE VOLUNTARY ORGANISATIONS that meet **ALL** the following criteria:

- Annual income is less than **US$50,000**.
- Does not employ permanent full-time staff (relies on volunteers/ stipends).
- Operates strictly within Zimbabwe.

2. **What attachments are needed?**

- **None**, unless you changed your Board members (Part D).
- **Do NOT** attach receipts, invoices, or bank statements. Keep those in your own files for 5 years in case of a random spot-check.7

3. **Submission**

This form may be submitted *via* email to ………… or hand-delivered to the District Social Development Officer.

NPO RISK RESILIENCE SELF ASSESSMENT CHECKLIST

PVOR2

For Internal Use Only – Do Not Submit to FINANCIAL INTELLIGENCE UNIT

Purpose: This checklist helps your organisation identify vulnerabilities to Terrorist Financing (TF) abuse.

How to Use: Complete this assessment annually. If you can answer **"YES"** to most questions, your organisation aligns with the "Low Risk" profile defined in the 2026 Regulations.

SECTION 1: GOVERNANCE AND REGISTRATION

Regulators look for "sham" organisations that have no active oversight.

Question	**Yes**	**No**	**Action Required if "No"**
1.1 Is your PVO registration current, and have you filed your most recent annual return with the PVO Board?	☐	☐	File outstanding returns immediately.
1.2 Does your Board of Trustees meet at least **twice a year** to review financial statements?	☐	☐	Schedule regular Board finance reviews.
1.3 Are all active Trustees listed on your official registration documents? (No "shadow" directors).	☐	☐	Update Trustee list with the Registrar.
1.4 Do you have a written Constitution that clearly defines your charitable objectives and target beneficiaries?	☐	☐	Adopt or amend your Constitution.

SECTION 2: FINANCIAL TRANSPARENCY

The highest risk comes from unaccountable cash movement.

Question	**Yes**	**No**	**Action Required if "No"**
2.1 Do you process at least **80%** of your expenditure through the formal banking system (EFT, Ecocash, Swipe)?	☐	☐	Limit cash withdrawals to petty cash only.

2.2 If you must use cash for field operations, do you require **two signatures** for every withdrawal or handover?	☐	☐	Implement a "Dual Sign-Off" policy.
2.3 Are personal funds of Trustees strictly separated from the Organisation's funds? (No commingling).	☐	☐	Open a dedicated organisational account.
2.4 Do you maintain financial records (invoices, receipts, bank statements) for at least **5 years**?	☐	☐	Archive records securely (digital or physical).

SECTION 3: KNOW YOUR BENEFICIARIES (KYB)

You must ensure your aid reaches the intended civilians, not armed groups.

Question	**Yes**	**No**	**Action Required if "No"**
3.1 Do you document the identity of your local partners or agents who deliver aid on your behalf?	☐	☐	Create a "Partner Profile" for each agent.
3.2 Before operating in a conflict zone or high-risk area, do you check if your local partner is on the **UN Sanctions List**?	☐	☐	Check names at un.org/security council.
3.3 If you provide cash handouts to beneficiaries, do you keep a register of recipients (names/IDs)?	☐	☐	Create a simple beneficiary register.
3.4 Can you reconcile your project spending with actual goods delivered? (e.g., photos of food distribution).	☐	☐	Require "Proof of Activity" from field staff.

SECTION 4: DONOR & FUNDING SOURCES

Protect yourself from being used to launder dirty money.

Question	Yes	No	Action Required if "No"
4.1 Do you know the physical address and legal status of your major donors?	☐	☐	Request basic profile info from donors.
4.2 If a donor insists on anonymity, have you documented their identity internally even if not publishing it?	☐	☐	Never accept "mystery funds" without internal vetting.
4.3 Do you refuse donations that come with "Strings Attached" requiring you to use specific, unverified suppliers?	☐	☐	Review your Gift Acceptance Policy.

SCORING AND INTERPRETATION

- **Mostly "YES" (12+): LOW RISK**
  - o *Status:* Your organisation is resilient. You are unlikely to be targeted for "High Risk" supervision under the new regulations. Keep this checklist on file to show your bank if they ask about your compliance.
- **Mixed Results (8-11): MEDIUM RISK**
  - o *Status:* You have some vulnerabilities. Focus on fixing the Financial Transparency items (Section 2) first, as these are the most common reasons for bank de-risking.
- **Mostly "NO" (<8): HIGH VULNERABILITY**
  - o *Status:* You are exposed to abuse. An onsite inspection by the FINANCIAL INTELLIGENCE UNIT or PVO Board could lead to sanctions.
  - o *Immediate Action:* Convene a Board meeting to adopt the **"Best Practice Guidelines"** and upgrade your financial controls immediately.

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