FINANCIAL ACCESS ISSUES FACING CIVIL SOCIETY ORGANIZATIONS IN TUNISIA

FINANCIAL ACCESS (BANK DERISKING) ISSUES FACING CIVIL SOCIETY ORGANIZATIONS IN TUNISIA

CONTENTS:

Executive Summary

There is a growing empirical evidence base of the financial exclusion of civil society organizations (CSOs), also known as bank derisking, driven largely by counterterrorism and, more specifically, by countering the financing of terrorism (CFT) rules and regulations. And Tunisia is no exception. Our research reveals that 44% of those surveyed have experienced bank derisking in some form or fashion, whether that was in terms of facing burdensome requests for additional documentation (61%), problems opening a bank account (50%), delays in bank transfers (29%) or a significant increase in banking fees (29%). This, in turn, not only impedes charitable activity but also causes money to be driven outside the formal banking sector, thus only increasing terrorism financing risk.

This report discusses the background to and the drivers behind these restrictions, situating them in the counterterrorism architecture, before going on to detail the Tunisian context in terms of CSOs and their operational environment, given the national and supra-national regulatory context. The findings of the survey are then laid out in detail and conclusions drawn. The report ends with a series of recommendations for the multiple stakeholders involved in the issue: government, regulators, financial institutions, donors and CSOs.

Acknowledgements

The authors of this report would like to thank Yasmin Haloui (Human Security Collective) for her work on the survey (content, translation, collation) as well as for coordinating the conduct of the survey with Jamaity. Thanks also to Tom Olphin at Cambridge University for helping make sense of the data we gathered. Jamaity was an invaluable partner in helping operationalize the survey – we would not have reached as many CSOs as we did in what was quite a tight time frame if it had not been for the persistence of the team there. And, last, but not least, a big thank you to all the CSOs who took the time to respond to the survey.

1. Background and Introduction

There is an increased tendency on the part of financial institutions to restrict or terminate relationships with certain categories of customers. These include non-profit organizations (NPOs), money remittance agencies, small and medium enterprises (SMEs), embassies and correspondent banks, among others – a practice known as bank derisking. Derisking is defined as the practice of banks and other financial institutions exiting relationships with and closing the accounts of clients considered 'high risk'. There is a growing evidence base[1] on the financial exclusion of NPOs around the world resulting in organizations unable to carry out their mandate, which in turn affects aid and relief, as well as the campaigning for political and social change. It has also led to funds being transferred through unregulated channels because of inordinate delays or even the disappearance of funds transferred through regulated banking channels. Why is this happening? Why is banking nonprofits considered risky? And what can be done about it?

Drivers behind restrictions

Given that money flows have become a source of insecurity, leading to terrorism financing and other forms of financial crime, countries need to have regulatory regimes in place to prevent this from happening. Financial regulators and supervisors the world over have become more forceful on the compliance of countering the financing of terrorism (CFT) standards by financial institutions and sectors such as NPOs. Global standard-setters such as the Financial Action Task Force (FATF) have set out 40 Recommendations (the standards) on money laundering (ML) and terrorism financing (TF) against which countries are peer-evaluated on an ongoing basis. Almost all countries across the world have endorsed the FATF recommendations, and have to 'translate' these standards into national laws, rules and regulations. Given that a poor peer-evaluation has an adverse impact on a country's trade, investment and aid prospects, states want to ensure that their regulatory regimes conform to the standards.

One of those 40 Recommendations, Recommendation 8, is on NPOs and specifies a broad requirement to regulate the nonprofit sector as a whole for greater transparency and accountability:

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[1] Stuart Gordon and Sherine El Taraboulsi-McCarthy (2018). 'Counter-terrorism, bank de-risking and humanitarian response: a path forward. Key findings from four case studies'. Policy Brief 72. HPG/ODI/THF. https://www.odi.org/sites/odi.org.uk/files/resource-documents/12368.pdf
Duke Law International Human Rights Clinic and Women Peacemakers Program (2017). *Tightening the Purse Strings: What Countering Terrorism Financing Costs Gender Equality and Security*. https://law.duke.edu/sites/default/files/humanrights/tighteningpursestrings.pdf
Sue Eckert, Kay Guinane, and Andrea Hall (Charity & Security Network) (2017). *Financial Access for US Nonprofits*. https://www.charityandsecurity.org/system/files/FinancialAccessFullReport_2.21%20(2).pdf
Tracey Durner and Liat Shetret (Global Center on Cooperative Security) (2015). *Understanding Bank De-risking and its Effects on Financial Inclusion.* https://www.oxfam.org/sites/www.oxfam.org/files/file_attachments/rr-bank-de-risking-181115-en_0.pdf
Clay Lowery and Vijaya Ramachandran (Center for Global Development) (2015). *Unintended Consequences of Anti-Money Laundering Policies for Poor Countries*. https://www.cgdev.org/sites/default/files/CGD-WG-Report-Unintended-Consequences-AML-Policies-2015.pdf
Tom Keatinge (DEMOS) (2014). *Uncharitable Behaviour*. https://www.demos.co.uk/files/DEMOSuncharitablebehaviourREPORT.pdf

Countries should review the adequacy of laws and regulations that relate to non-profit organisations which the country has identified as being vulnerable to terrorist financing abuse. Countries should apply focused and proportionate measures, in line with the risk-based approach, to such non-profit organisations to protect them from terrorist financing abuse, including:
(a) by terrorist organisations posing as legitimate entities;
(b) by exploiting legitimate entities as conduits for terrorist financing, including for the purpose of escaping asset-freezing measures; and
(c) by concealing or obscuring the clandestine diversion of funds intended for legitimate purposes to terrorist organisations.[2]

Money flows in and through NPOs are thus recognized in the FATF standards as a potential source for the financing of terrorism, with governments being required to protect the NPO sector from being abused or misused for financial crime through the implementation of a regulatory regime that adequately and effectively addresses terrorism financing risk in the sector.

And it is not solely the FATF standards and the country-level regulations emanating from them. The CFT regulatory regime is further reinforced by economic and trade sanctions lists (both against countries and individuals/groups), administered by the United States' Office of Foreign Assets Control (OFAC). Given that much of the international monetary transfer of funds takes place in US dollars, the US regulatory regime has a great impact on the flow of funds globally, not least on charitable money flows. This is compounded by United Nations (UN) sanctions, and by UN Security Council Resolutions (SCRs) on terrorism financing, particularly the latest, UNSCR 2462 on combating and criminalizing the financing of terrorists and their activities (building on the earlier UNSCR 1373), which is binding on all member states and can be enforced by UN sanctions. Safeguards for humanitarian activity, and international human rights law, international refugee law and international humanitarian law are mentioned, along with an urging to all member states to implement the FATF standards. The challenge for countries is to develop an integral approach with matching laws, rules, regulations and policies that prevent terrorism financing through the sector while adhering to international human rights law, international refugee law and international humanitarian law. The task for the FATF is to provide guidance to countries and evaluation teams on such an integral approach.

Manifestations of restrictions and consequences of restrictions

This regulatory regime is, in turn, internalized by the financial services sector.[3] Banks and money transfer agencies are required to carry out extensive due diligence on their customers to fulfil compliance requirements and face large fines if they are found to be in contravention of any of these regulations. Many NPOs, especially those that work in, on and around conflict zones, have been affected by these stringent requirements. Banks consider nonprofits to be at high risk for financial crime, expensive for compliance and low profit in general, resulting in the terminating of or a refusal to take on relationships with many NPOs. There have been inordinate delays in cash transfers for

[2] FATF (2012, Updated June 2019). International Standards on Combating Money Laundering and the Financing Of Terrorism & Proliferation. https://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf

[3] HSC and ECNL (2018). *At the Intersection of Security and Regulation: Understanding the Drivers and Impact of 'Derisking' on Civil Society Organizations.* http://fatfplatform.org/wp-content/uploads/2018/05/Understanding-the-Drivers-of-De-Risking-and-the-Impact-on-Civil-Society-Organizations_1.pdf

NPOs as due diligence is repeated by the intermediate or correspondent banks throughout the cash transfer chain, impacting programme delivery.

Humanitarian activities have been hard hit,[4] especially the delivery of humanitarian assistance to those most in need and in areas controlled by proscribed groups. Muslim charities or charities with a Muslim name are, research has shown, among the hardest hit.

Studies have further shown that, given the critical nature of humanitarian aid, NPOs have found 'workarounds' in order to continue their work of providing support to the most vulnerable and marginalized, even though these solutions such as hand-carrying cash across borders into conflict areas, using personal bank accounts for transferring and receiving funds, or resorting to the services of unregulated money transfer businesses, have all led to greater risk exposure for the organizations, their employees and their partners.

Research has also shown that smaller NPOs are more likely to be impacted than larger ones.[5] This trend increases the likelihood that donors will fund humanitarian assistance primarily through larger NPOs based in the Global North and their more established partners in the region concerned, thereby maintaining a culture of dependency. The chain of contracts between organizations that provide humanitarian or development assistance has changed due to more stringent CFT requirements. Larger NPOs receiving donor funding often include CFT clauses in their contracts with the smaller organizations that actually deliver the aid in crises areas or carry out the development work. In addition, the banks of the larger NPOs often require them to conduct enhanced due diligence on their sub-grantees, leading to small organizations accepting grant conditions which primarily places the risk of terrorism financing abuse squarely on them.

The decrease in safe payment and banking channels has been further aggravated by a decline in correspondent banking relationships. Correspondent banks have been withdrawing from relationships with respondent banks in many parts of the world. The quantitative Correspondent Data Report from the Financial Stability Board looks at the decline in correspondent banking worldwide between 2011 and 2016 (using SWIFT data). For both the US dollar (USD) and euro (EUR), the number of active correspondents decreased by around 15%. Small economies are the most affected by the reduction in the number of foreign correspondent banks serving banks in these countries. This decline has been prompted by increased due diligence and Know Your Customer (KYC) requirements stemming from the above-mentioned regulations, with the correspondent bank lacking confidence in the respondent bank's ability to effectively manage anti-money-laundering (AML) and CFT risk. Profitability concerns also play an important role. For banks taking a steely-eyed look at the risk/return ratio of such relationships, risk averseness (financial and reputational) and a fear of fines wins out most times over servicing customers in parts of the world that are considered unprofitable.

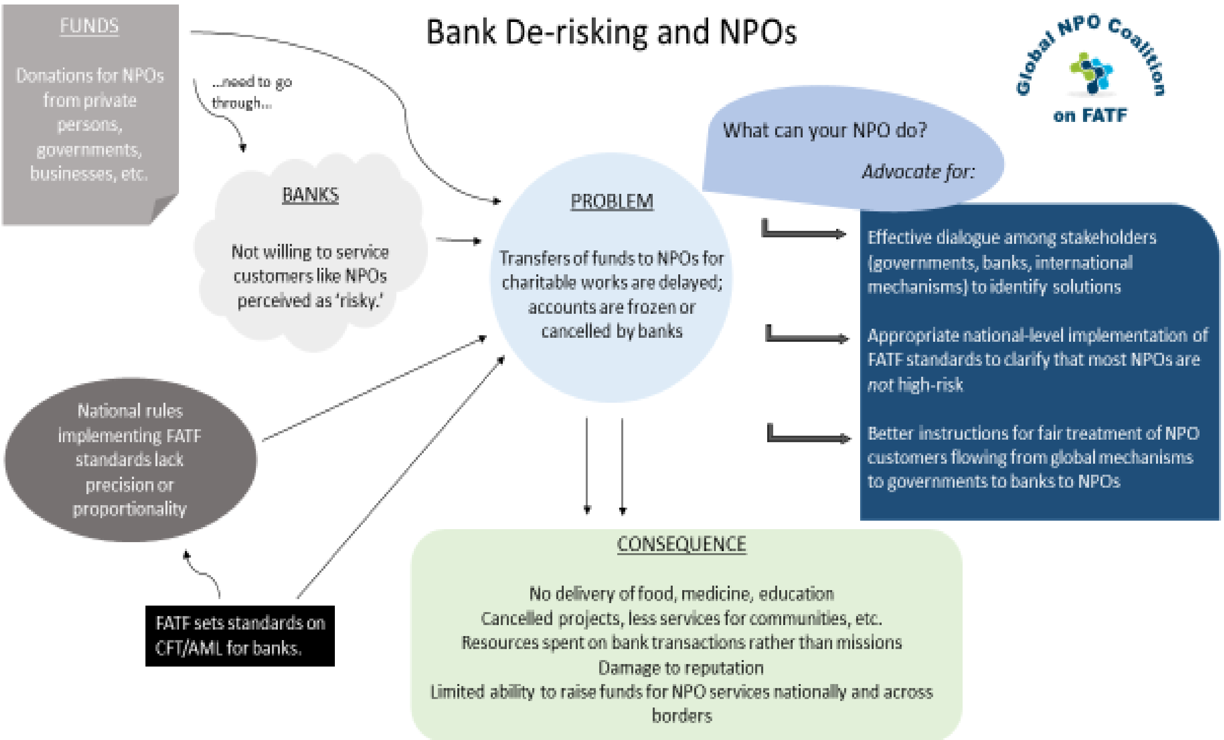
The consequences of derisking are undermining other policy goals and concerns such as those of economic development, the rollout of the UN Sustainable Development Goals, financial inclusion, human rights protection and the creation of an 'enabling environment for civil society'. Other effects

[4] Stuart Gordon and Sherine El Taraboulsi-McCarthy (2018). 'Counter-terrorism, bank de-risking and humanitarian response: a path forward. Key findings from four case studies'. Policy Brief 72. HPG/ODI/THF. https://www.odi.org/sites/odi.org.uk/files/resource-documents/12368.pdf

[5] HSC and ECNL (2018). Ibid.

of the overbroad regulation of the sector due to CFT imperatives include[6] onerous registration, licensing and reporting requirements, restrictions on receiving foreign funding and restrictions on freedom of expression and association (for example, curtailment of the right to protest).

Figure 1



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[6] http://fatfplatform.org/wp-content/uploads/2015/10/Catalogue-of-government-overregulation-July-2015_final-.pdf

2. The Tunisian Context

As local/international organizations working in Tunisia for a number of years now, the partners in this consortium (KADEM, HSC, ECNL, ICNL and Greenacre Group) had heard anecdotal evidence of local NPOs facing financial access difficulties – mostly with opening bank accounts or with burdensome due diligence requirements.

The Tunisian Revolution, and the adoption of Decree-Law 2011-88 in 2011 on associations and the legal framework for civil society organizations (CSOs), saw a burgeoning of civil society in the country. There are an estimated 22,000 CSOs in the country today,[7] active across multiple fields. The Tunisian Constitution of 2014 proclaims that the freedom to form political parties, trade unions and associations is guaranteed. And while the establishment is broadly welcoming of CSOs and their mandate/contribution, especially those CSOs working on service delivery, the ones with a more 'expressive' mandate (working against corruption, on governance, etc.) can sometimes be viewed with rather more suspicion.[8]

The FATF Evaluation of Tunisia's compliance with AML/CFT standards was published in 2016.[9] At that point in time, it noted the sharp increase in the number of associations formed between 2011 and 2014 (8,250 new associations were created – a 47 per cent rise – normal in the new Tunisian context), and stated the need for more resources to address potential abuse of the sector. At the same time, the report observed that the country faced threats from terrorist groups (AAS-T, AQIM), from arms/drugs./contraband flowing to/from Algeria and Libya, and from several thousand foreign fighters leaving for Iraq, Syria and Libya. However, in spite of the threats, given that Tunisia had what was considered a world-class law on associations, which had all the necessary transparency and accountability requirements (Decree-Law 88), the country was found to be Largely Compliant with Recommendation 8 on the FATF Evaluation (on a technical compliance rating scale of Compliant, Largely Compliant, Partially Compliant and Non-Compliant).

On effectiveness, however, the rating received was low. This was largely due to governmental capacity issues, which limited the effectiveness of the monitoring of the sector. Additionally, it was also stated that a regular review of the sector was not being conducted and neither was there much awareness-raising on the part of the government with CSOs on the issue of terrorism financing. The country received an additional five 'low' effectiveness ratings (making a total of six out of eleven).

Given the low levels of effectives, the FATF placed Tunisia in 2017 on a list of jurisdictions with strategic deficiencies when it came to combating money laundering and terrorism financing It was placed in an enhanced follow-up process, meaning that the country had tackle the deficiencies identified in a time bound manner and report ongoing progress at regular intervals. To compound matters, the European Parliament also added Tunisia, in February 2018, to a blacklist of countries thought to be at 'high-risk' of money laundering and terrorism financing.

This enhanced pressure on the country has had an undeniable impact[10] on the regulatory environment in the country, including the amendment of and proposals to amend laws and regulations that relate directly to or also affect CSOs. A National Risk Assessment undertaken in 2017 rated associations as 'high risk' for money laundering and terrorism financing. It is unclear whether

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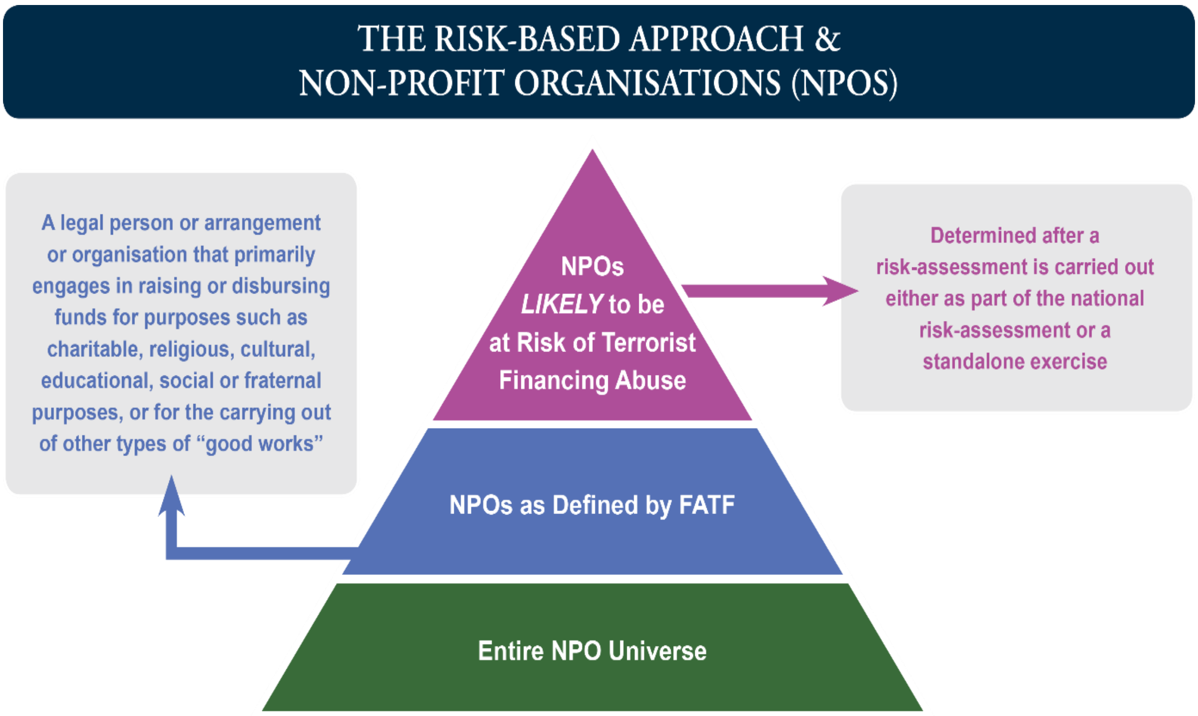
[7] Euromed Rights, KADEM *et al*. (2018). 'The Erosion of Freedom of Association in Tunisia'. Policy Brief. https://drive.google.com/file/d/1mWBToYdMITgym1tln17ZCHwDKoo_fh9d/view
[8] Ibid.
[9] http://www.fatf-gafi.org/publications/mutualevaluations/documents/mer-tunisia-2016.html
[10] Euromed Rights, KADEM *et al*. (2018). Ibid.

this assessment was undertaken with any input from CSOs at all. But what is clear is that all CSOs were put in one bucket and assigned a 'high risk' rating. In such a climate, it is not surprising that financial institutions are then wary of banking CSOs.

Risk-based Approach

However, standard setters such as FATF now emphasize a risk-based approach (RBA)[11] when it comes to regulatory regimes that governments put in place. Governments need to conduct a National Risk Assessment of ML/TF risk, including a risk assessment of the NPO sector, to determine those NPOs that are most at risk of being abused for terrorism financing. A properly-conducted risk assessment enables more effective risk compliance, given that resources can then be directed towards those NPOs likely to be at risk, and should ultimately help financial institutions better manage risk and avoid inadvertent derisking.

Figure 2



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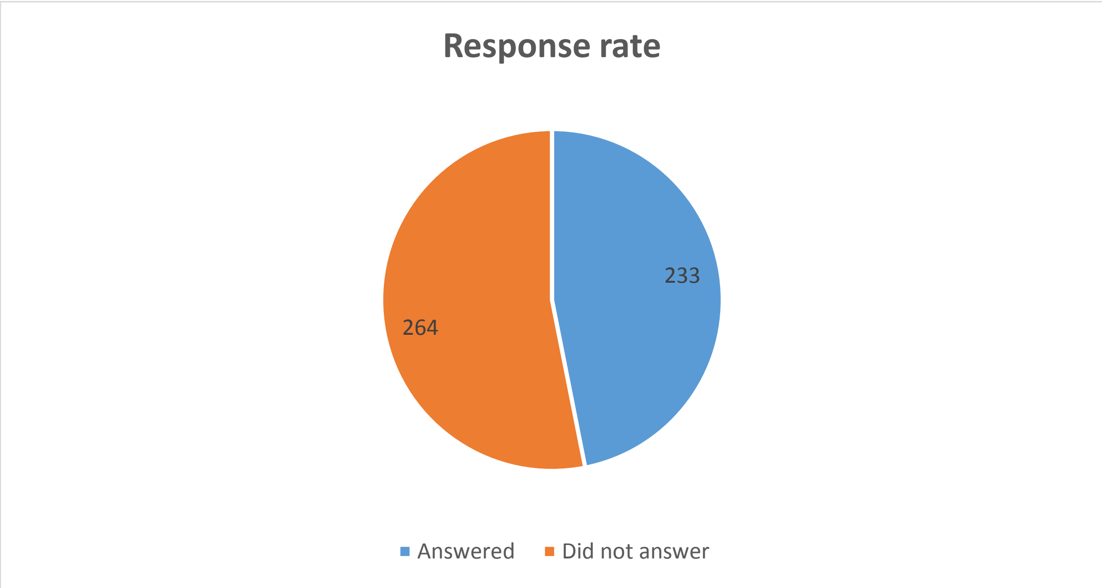
[11] http://www.fatf-gafi.org/publications/fatfrecommendations/documents/fatfguidanceontherisk-basedapproachtocombatingmoneylaunderingandterroristfinancing-highlevelprinciplesandprocedures.html

The FATF emphasizes, in its recently-published Guidance for TF Risk Assessment[12], that countries need to understand the residual or net risk for potential terrorism finance abuse of NPOs. The guidance encourages governments not to view NPOs as inherently at risk for TF abuse but to value and validate financial and administrative measures already taken by NPOs to prevent risk. The FATF underscores what NPOs have been stressing all along: that zero risk related to work in and on conflicts, human rights issues and humanitarian crises does not exist.[13] In this regard, the issue of derisking becomes of importance to both government and private donors, whose support to NPOs is predicated on the support of vulnerable populations affected by humanitarian crises, and groups and individuals whose rights are being violated by those in power.

[12] FATF (2019). *Terrorist Financing Risk Assessment Guidance*. https://www.fatf-gafi.org/publications/methodsandtrends/documents/terrorist-financing-risk-assessment-guidance.html
[13] http://www.fatf-gafi.org/media/fatf/documents/reports/Terrorist-Financing-Risk-Assessment-Guidance.pdf

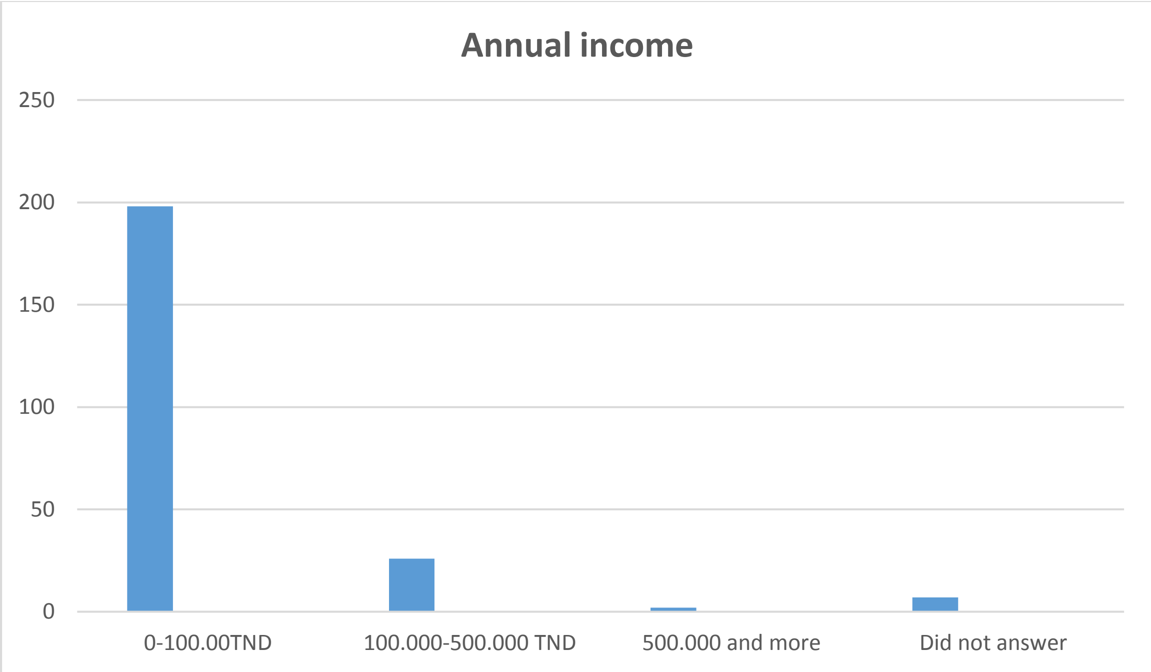
3. Methodology

The survey (see Annex) was conducted by Tunisian CSO umbrella organization Jamaity.[14] It was translated into Arabic and administered over the telephone using random sampling, with the answers being recorded online by the administrators of the survey. Jamaity had a randomized list of 600 associations to be contacted. Over a period of two weeks, a team of three interviewers carried out the survey and succeeded in contacting 497 CSOs. Of those 497, a total of 233 organizations answered the survey – a response rate of 47%. The 264 others were contacted three times a day over the course of three days and did not answer the survey.

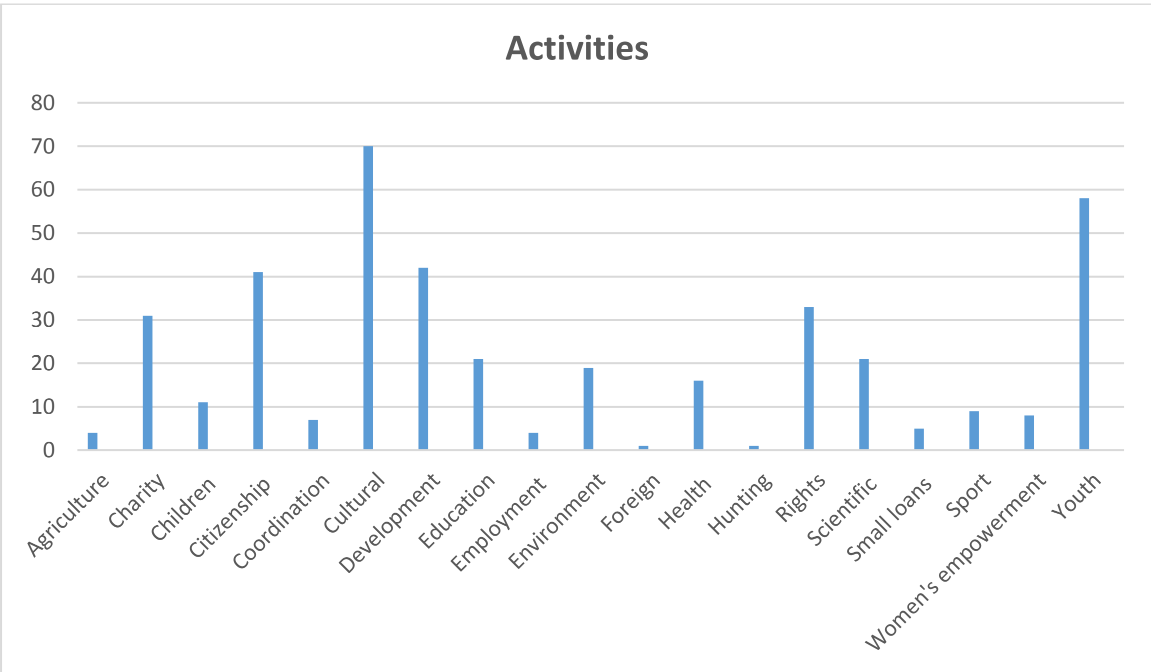


In terms of the size of the CSOs who answered the survey, 85% had a yearly income under 100.000 TND, with only 11% having an annual income of between 100.000 and 500.000 TND. Of those surveyed, the areas of operation for 21% were Tunis, 8% in Sfax, 8% in Gabes, 6% in Ariana and 6% in Monastir. In addition, those interviewed were working in Beja, Ben Arous, Bizerte, Gafsa, Gasserine, Jendouba, Kairouan, Kebili, Kef, Siliana, Mahdia, Manouna, Mednine, Nabeul, Sidi Bouzid, Sousse, Tataouine, Touzeur and Zaghouan (apart from those that did not want to disclose this particular piece of information).

[14] http://jamaity.org/



And in terms of the activities that these CSOs were engaged in, these ranged in nature from cultural (30%) to youth (25%), and from development (18%) to citizenship (18%) and rights (14%).

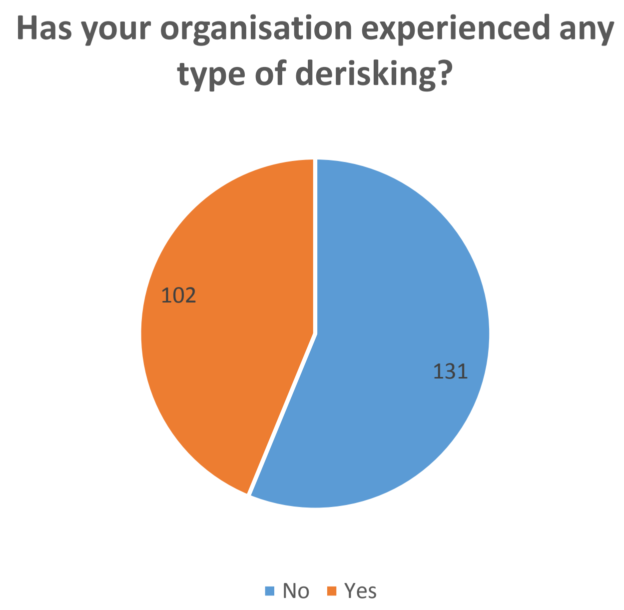


Most CSOs receive funds/goods/services from other countries (29%) or work in partnership with CSOs in other countries, to help them fund their work, or by helping them run their projects or provide services. Very few (0.4%) of those surveyed send money or goods directly to people in need in other countries, though a few more (2%) provide services to run projects in other countries.

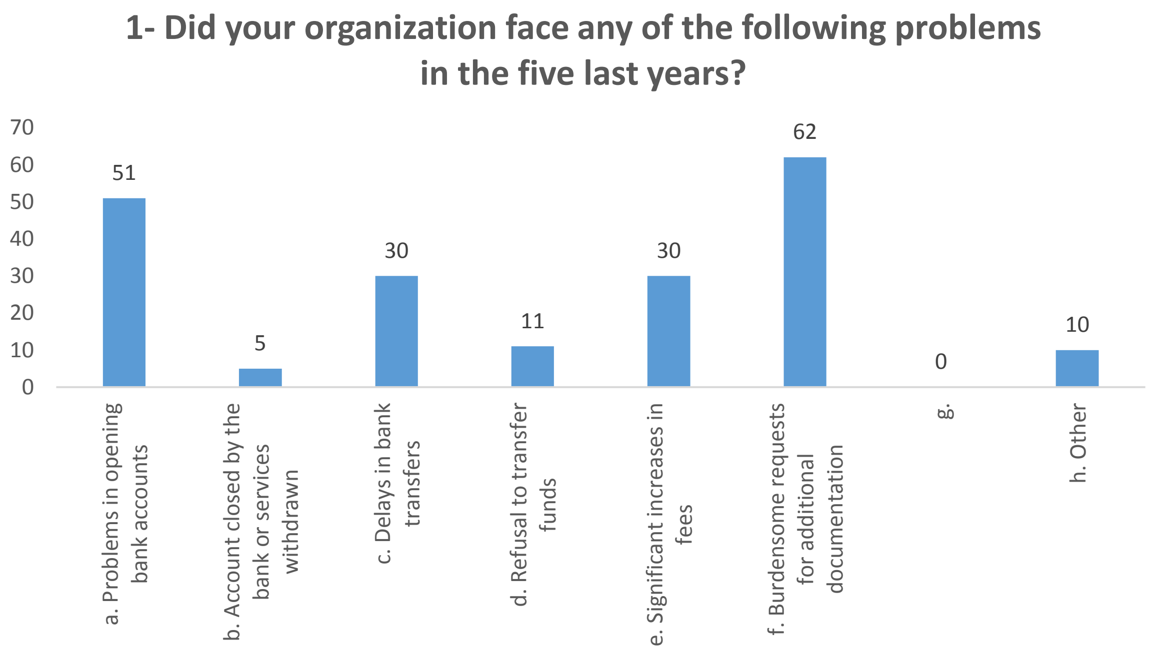
The main findings of the survey are laid out in the following chapter.

4. Findings

Of the 233 organizations surveyed, 44% said they had experienced some form of derisking.



Of those experiencing difficulties with financial access, a vast majority (61%) reported facing burdensome requests for additional documentation. Exactly half reported having problems opening a bank account (50%). Still others flagged delays in bank transfers (29%) and a significant increase in banking fees (29%).

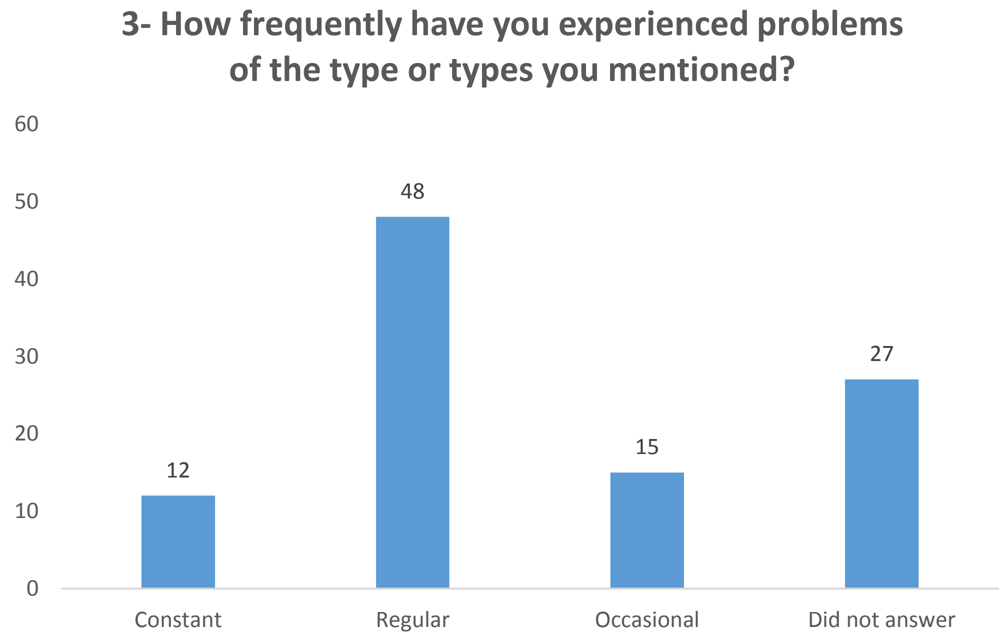


Organizations reported that problems experienced had driven them to open postal accounts (with Tunisian poste), which made operations easier and lowered banking costs. A couple of organizations mentioned that their bank did not operate in the area they wanted money sent to (Beni Mhiriya, in the governorate of Tatatouine, or Regueb, e.g.), and so they had no choice but to use a postal account. Organizations also flagged problems with the rule that limited cash withdrawal to 500 TND a day, and the impact that had had on the work of associations. Not being given access to a chequebook was flagged as well. A few mentioned that they were operating without a bank account or that they were using a personal, and not an organizational, account. Others mentioned the new cumbersome Central Bank regulations/financial law, which included being unable to withdraw big amounts and restrictions on the number of persons authorized to withdraw money per day. Mentioned also was the fact that CSOs were treated the same as private companies, meaning that the regulations/demands were not fit-for-purpose for the sector.

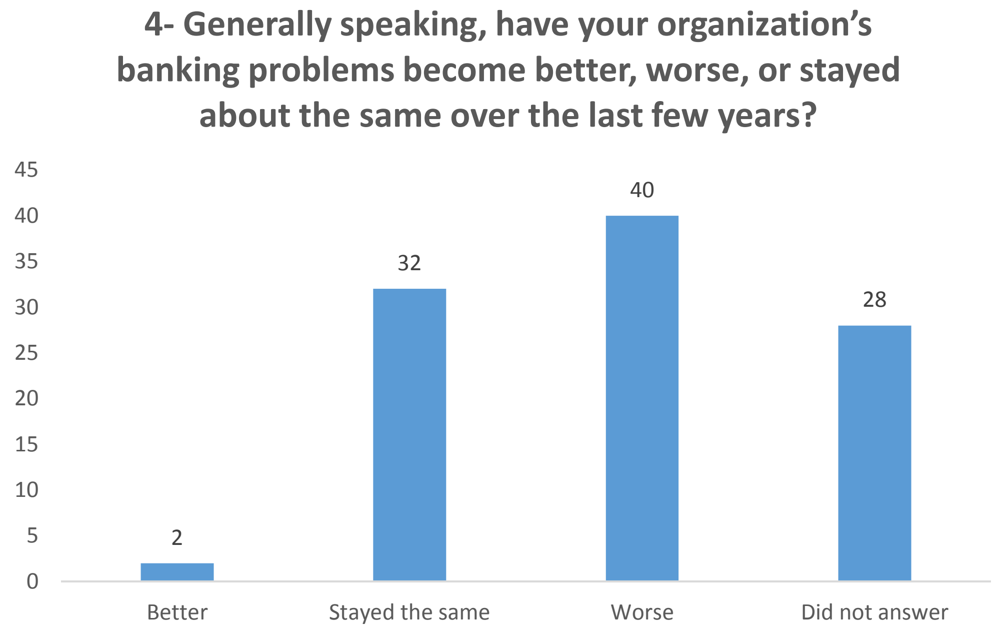
Some of the reasons given to CSOs (if at all these were furnished) for cumbersome procedures or debanking included:

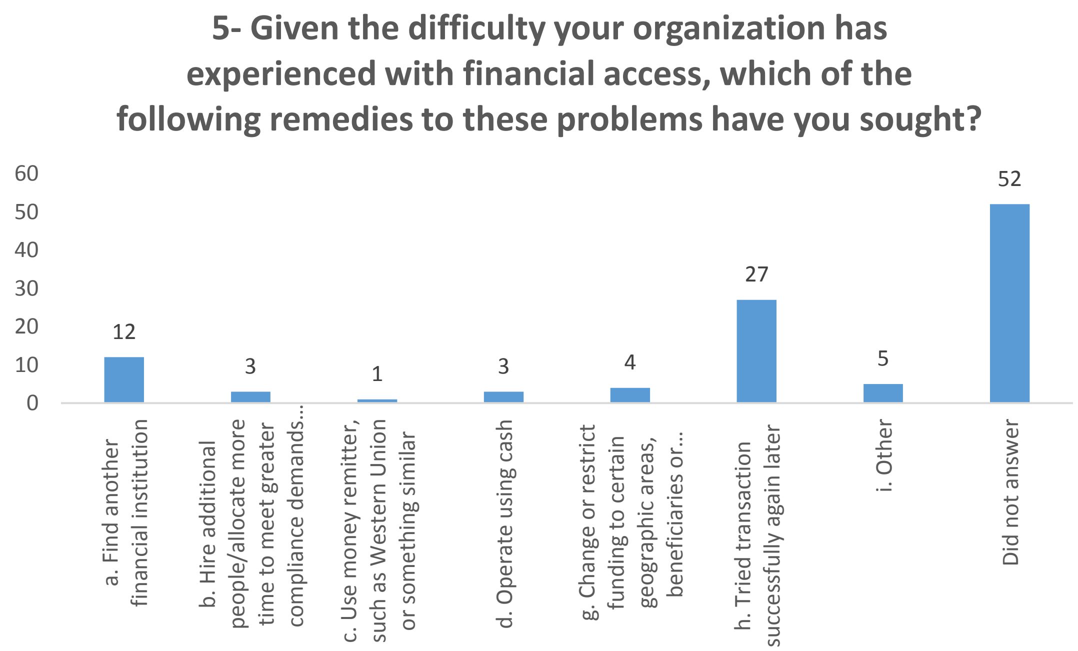
- The new financial law
- Central Bank regulations
- The fight against terrorism
- Transparency and accountability
- The fact that the CSO had limited revenue, and was therefore deemed unstable
- The limited duration of projects

In terms of the frequency with which CSOs were faced with banking problems, 47% classed them as regular, 15% as occasional and 12% as constant.

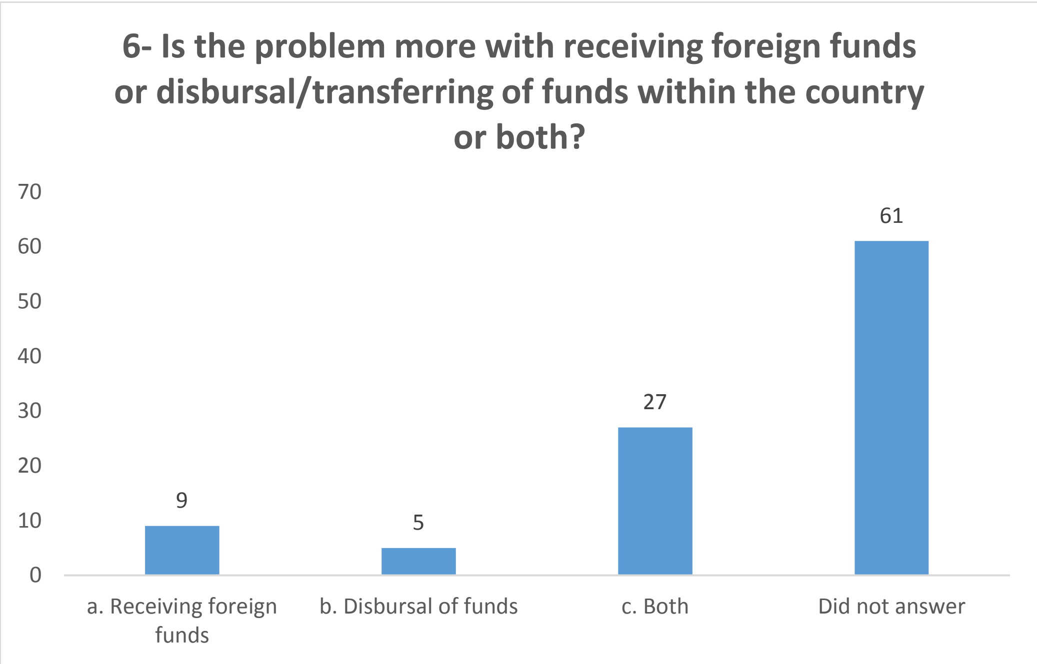


And asked whether their problems had become better, worse, or stayed about the same over the last few years, 39% said they had worsened and 31% that they had stayed the same – with only 2% answering that their interaction with financial institutions had improved.



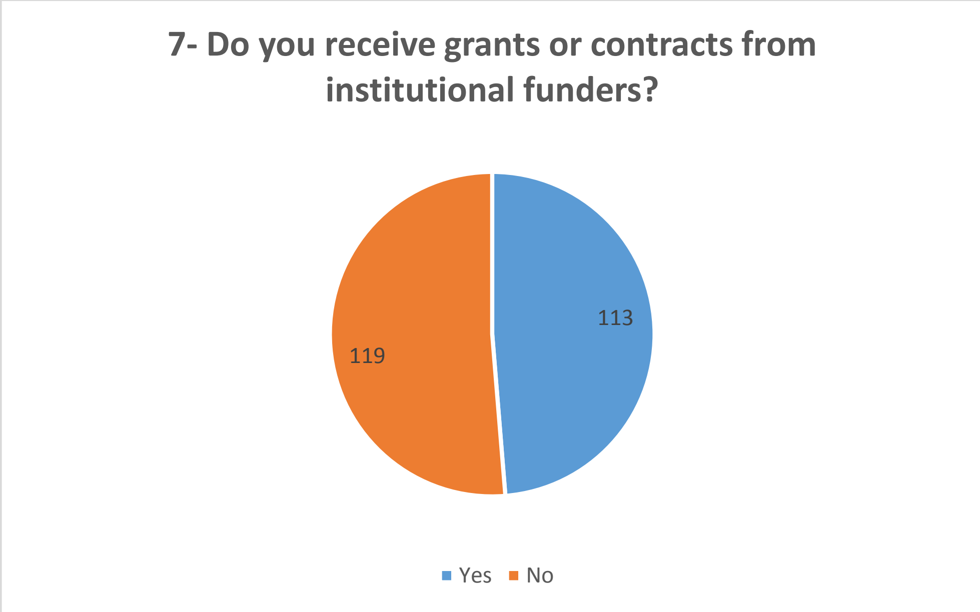


When asked what workarounds had been sought to the financial access issues they were faced with, 12% of the organizations surveyed said they had found another financial institution and 26% mentioned trying the transaction (successfully) again later. Additionally, 4% mentioned how this had had a programmatic impact, changing or restricting funding to certain geographic areas, beneficiaries or partners. 3% of those surveyed said that the banking problems they faced had forced them to operate using cash, and another 3% said they had had to hire additional people or allocate more time to meet greater compliance demands.

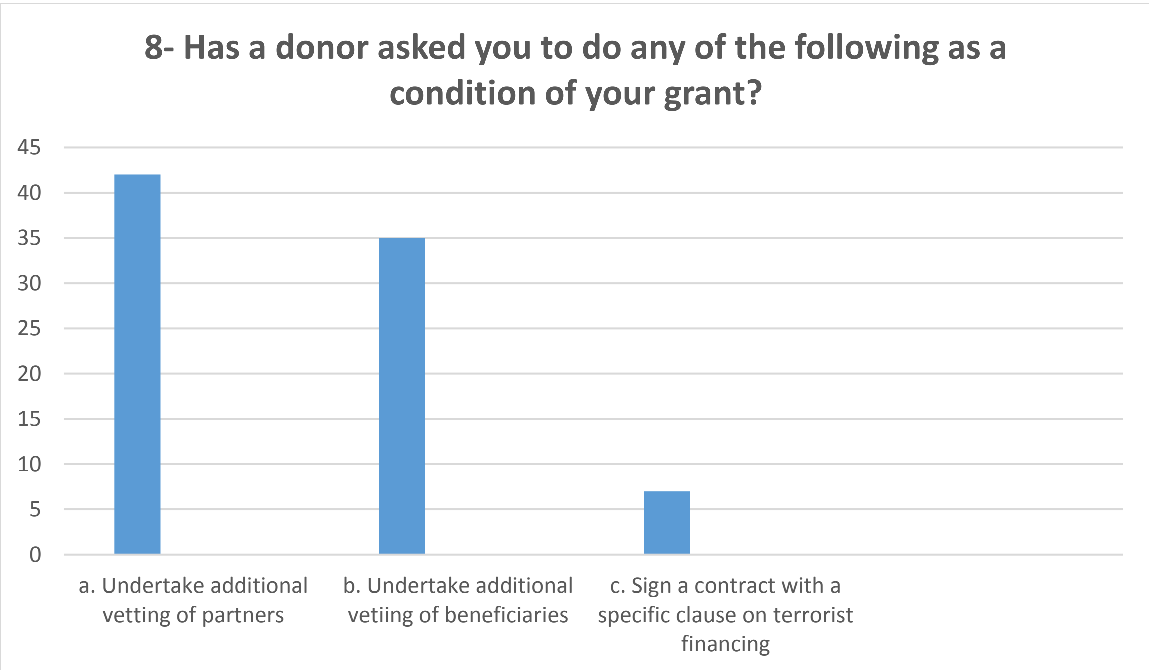


On whether the problem was more with receiving foreign funds or the disbursal/transferring of funds within the country, 26% of those surveyed said it was both, 9% that the problem was with receipt of funds only and 5% said they had problems with disbursal only.

Another proposition that the questionnaire wanted to test was whether any (and how much) of the burdensome due diligence requirements were donor driven. With that in mind, the surveyed organizations were asked whether they received institutional grants or contracts. Of those surveyed, 49% said they did.

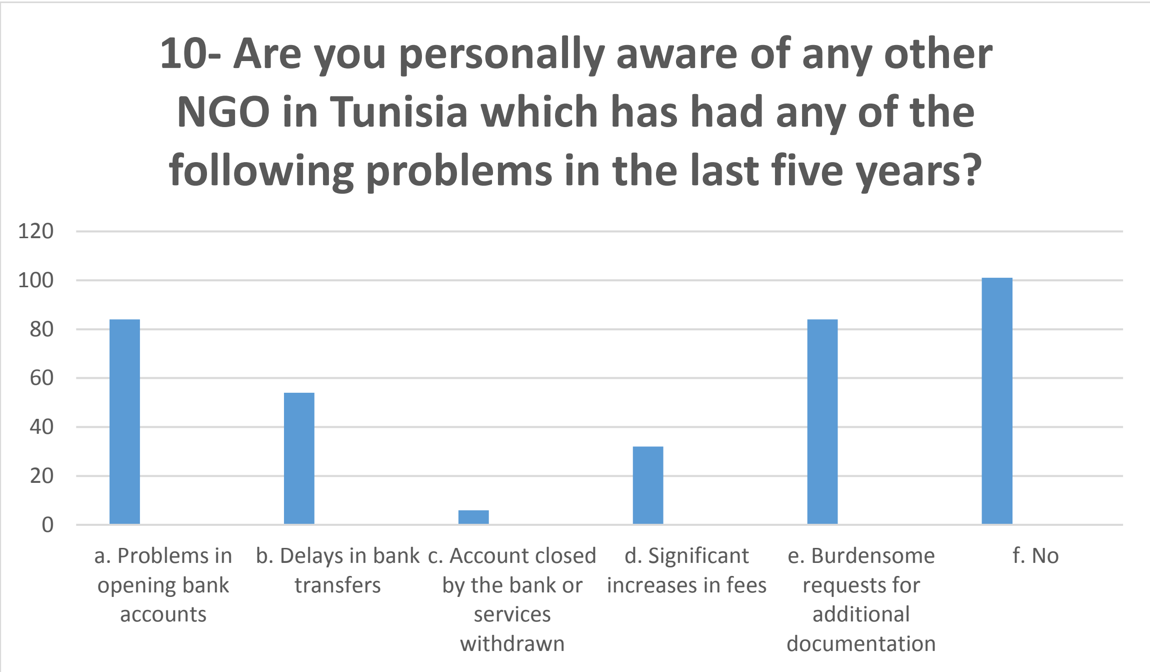


On whether the donor had asked the organization to undertake additional vetting of partners or beneficiaries, 18% said they had been asked to undertake additional vetting of partners, 15% were asked to undertake additional vetting of beneficiaries and 3% were asked to sign a contract with a specific clause on terrorism financing.



21% of the organizations receiving such funding said that the impact of these additional procedures had led to a significant increase in the organization's administrative burden. 1% said that it had discouraged them from applying for certain funds and 2%, that it had prevented them from accessing certain funds. This led many CSOs to change the way they worked, and one CSO was even forced to close down because of these additional requirements.

The organizations interviewed were surveyed on whether they were aware of other CSOs facing problems with financial access. Most common were reports of problems in opening bank accounts (36%) and burdensome requests for additional information (36%), along with delays in bank transfers (23%) and a significant increase in fees (14%).



5. Conclusion

The problem of financial access for NPOs or bank derisking is widespread in Tunisia, affecting NPOs across the country working on a variety of charitable activities. The principle manifestations of the problem are in the difficulties NPOs face in opening bank accounts and the burdensome requests for additional documentation. This is further augmented by delays in bank transfers and significant increases in fees.

The main conclusions from our research are as follows:

- Bank derisking impedes legitimate charitable in Tunisia activity by:
    - Delaying programmes and projects
    - Causing the abortion of certain types of activity in certain regions
- By denying NPOs financial access, derisking is driving money underground and out of the formal financial sector (cash programing), thus increasing the risk of terrorism financing.
- NPOs are spending more time/resources on meeting due diligence requirements from both financial institutions and donors
- NPOs are unaware of the drivers behind bank derisking
- The risk of the abuse of NPOs for terrorism financing and/or money laundering is currently all being borne downstream by the NPO

6. Recommendations

General recommendations:

- Raise awareness on the issue of bank derisking and its drivers among NPOs in Tunisia
- Ensure that all relevant stakeholders – NPOs, government, financial institutions, the Central Bank, the Banking Association, the Financial Intelligence Unit – engage in a constructive and systematic dialogue on mitigating financial access issues that NPOs are currently faced with
- Ensure a conversation around risk-sharing between government, donor and NPO so that all the risk does not lie downstream, as it currently does, with the NPO on the ground
- Foster an understanding among all stakeholders that there is no such thing as zero-risk
- Advocate for a proper sectoral Risk Assessment which could better guide regulators and financial institutions in their decisions and avoid wholescale and disproportionate derisking
- Explore options for technological solutions, which could help lower the costs of compliance
- Advocate for the creation of an independent ombudsperson role to deal with financial access issues facing NPOs

For the Central Bank:

- Provide financial institutions with clear guidance on NPO due diligence requirements, and ensure harmonization of information requested by financial institutions in order to reduce the burden on NPOs
- Ensure that banking fees for NPOs are reasonable and proportionate

For financial institutions:

- Tailor-make the information sought from NPOs (NPOs should not be treated like Small or Medium Enterprises, for example).
- Harmonize customer due diligence and follow up questions for NPOs
- Cultivate NPO knowledge among staff through dedicated teams or persons
- Explore the option of using the information already gathered by donors when conducting due diligence processes on NPOs

For government:

- Monitor the Central Bank and financial institutions to ensure that NPOs have access to financial services and that neither legitimate charitable activity nor their operational space is hindered
- Develop guidance for NPOs on AML/CFT compliance and international sanctions

For donors:

- Include due-diligence compliance costs in grants made
- Be aware of the consequences of the additional vetting and extra clauses included in contracts – are these tailored to the risk profile and do they mirror a thorough risk assessment?
- Share risk

For NPOs:

- Seek early dialogue with your bank/s about activities, beneficiaries and information requests
- Continue to raise awareness of the challenges faced regarding financial access
- Be aware of AML/CFT compliance responsibilities
- Share best practice on AML/CFT compliance between NPOs

ANNEX

Questionnaire

Section 1: Problems with banking services

Q1: Has your NGO experienced any of the following problems in the last five years? Please select all that apply.

a. Problems in opening bank accounts
b. Account closed by the bank or services withdrawn
c. Delays in bank transfers
d. Refusal to transfer funds
e. Significant increases in fees
f. Burdensome requests for additional documentation
g. None of the above **(if they select this answer, go to Q7)**
h. Other (please specify)

Q2: For any of the previously mentioned problems, did the financial institution mention any particular reason? (please specify)

Q3: How frequently have you experienced problems of the type or types you mentioned? Would you describe it (them) as:

a. Rare
b. Occasional – maybe once a year
c. Regular – every few months
d. Constant – ongoing, few breaks between incidents

Q4. Generally speaking, have your organization's banking problems become better, worse, or stayed about the same over the last few years?

a. Better
b. Worse
c. Stayed the same

Q5: Given the difficulty your organization has experienced with financial access, which of the following remedies to these problems have you sought? Please select all that apply:

a. Find another financial institution

b. Hire additional people/allocate more time to meet greater compliance demands from your bank
c. Use money remitter, such as Western Union or something similar
d. Operate using cash
e. Operate using personal bank account
f. Cancel the programme
g. Change or restrict funding to certain geographic areas, beneficiaries or partners
h. Tried transaction successfully again later
i. other (please specify)

Q6. Is the problem more with receiving foreign funds or disbursal/transferring of funds within the country or both?

a. Receiving foreign funds
b. Disbursal of funds
c. Both

Q7. Do you receive grants or contracts from institutional funders?

a. Yes
b. No **(skip to Q10)**

Q8. Has a donor asked you to do any of the following as a condition of your grant (select all the apply)

a. Undertake additional vetting of partners
b. Undertake additional vetting of beneficiaries
c. Sign a contract with a specific clause on terrorist financing

Q9. What has been the impact of this? (please select all that apply)

a. Preventing us accessing funds
b. Discouraged us from applying for funds
c. Forced us to refuse a grant
d. Significant increase in administrative burden

Q10: Are you personally aware of any other NGO in Tunisia which has had any of the following problems in the last five years? Please select all that apply.

a. Problems in opening bank accounts
b. Delays in bank transfers

c. Account closed by the bank or services withdrawn
d. Significant increases in fees
e. Burdensome requests for additional documentation
f. No **(go to section 2)**

Q11: What was the impact upon the organisation of these problems?

a. The NGO was not able to set up
b. The NGO was forced to close
c. The NGO had to change the way it worked
d. No impact
e. Don't know.

Section 2: About your organisation

About Your Organization

Q12: Income band for the last financial year (select one)

a. 0 – 100,000 TND
b. 100,000 – 500,000 TND
c. Over 500,000 TND

Q13: Type (select one)

a. Associations
b. Informal network
c. Other (please state)

Q14: Are you registered?

a. Yes
b. No

Q15 Area of Operations (select all that apply)

a. Ariana
b. Beja
c. Ben Arous
d. Bizerte
e. Gabes
f. Gafsa
g. Jendouba
h. Kairouan
i. Kasserine
j. Kebili
k. Kef
l. Mahdia
m. Manouba
n. Mednine
o. Monastir
p. Nabeul
q. Sfax
r. Sidi Bouzid
s. Siliana
t. Sousse
u. Tataouine
v. Tozeur
w. Tunis
x. Zaghouan
y. International

Q16: Headquarters (select one)

a. Ariana
b. Beja
c. Ben Arous
d. Bizerte
e. Gabes
f. Gafsa
g. Jendouba
h. Kairouan
i. Kasserine
j. Kebili

k. Kef
l. Mahdia
m. Manouba
n. Mednine
o. Monastir
p. Nabeul
q. Sfax
r. Sidi Bouzid
s. Siliana
t. Sousse
u. Tataouine
v. Tozeur
w. Tunis
x. Zaghouan
y. International

Q17: Activities in the last twelve months (select all that apply)

a. Scientific
b. Feminine
c. Sport
d. Friendship
e. Cultural
f. Social charity
g. Development
h. Microcredits
i. School
j. Environmental
k. Judicial
l. Citizenship
m. Youth
n. Childhood
o. Foreign
p. Networks
q. Coordination

Q18: Foreign links (select all that apply)

a. Our NGO has received funds, goods or services from other countries
b. Our NGO has sent money or goods directly to people in need in other countries.
c. Our NGO has provider services or run projects in other countries
d. Our NGO has worked in partnership with NGOs in other countries, to help them fund their work, or by helping them to run their projects or provide services
e. Our NGO was/is established, overseen and/or managed by foreign citizens (in part)
f. Our NGO employs or has obtained work permits for foreign citizens

About You

Q19: Your position (select all that apply)

a. Founder
b. Board Chair
c. Board Member
d. Executive Director
e. Other Senior Staff
f. Operational staff