



UFUK
İnsani Yardım Derneđi

UFUK ASSOCIATION FOR RELIEF AND DEVELOPMENT

Policy and Procedure for Vetting Third Parties



1. Purpose and Scope

This policy defines the procedures for **vetting and due diligence** of all third parties engaged by UFUK Association for Relief and Development (hereinafter referred to as the “Association”).

Its purpose is to ensure that all partners, suppliers, contractors, donors, consultants, and any other third parties working with the Association meet the organization’s standards for **integrity, transparency, legality, and accountability**, and that no collaboration exposes the Association to legal, ethical, financial, or reputational risks.

This policy applies to:

- Implementing partners and field collaborators,
- Vendors, suppliers, and contractors,
- Service providers, consultants, and temporary staff,
- Institutional donors or funding sources,
- Any entity representing or acting on behalf of the Association.

2. Guiding Principles

- **Compliance:** All partnerships must comply with Turkish law, international regulations, and donor requirements.
- **Integrity:** The Association shall not work with individuals or entities involved in corruption, terrorism, human rights violations, or unethical practices.
- **Transparency:** All third-party vetting processes must be documented, traceable, and auditable.
- **Risk-Based Approach:** The level of vetting depends on the type, value, and risk level of the relationship.
- **Accountability:** Responsibility for proper vetting rests with the management and relevant departments.

3. Objectives of Vetting

The objectives of the third-party vetting process are to:

1. Prevent association with organizations or individuals involved in **fraud, terrorism, money laundering, or unethical behavior**.
2. Ensure third parties possess the **capacity, credibility, and integrity** to deliver services effectively.

3. Verify the **legality and authenticity** of all third-party entities.
4. Protect the Association's **reputation, financial resources, and beneficiaries**.
5. Comply with **donor and international sanctions lists** (e.g., UN, EU, OFAC, World-Check).

4. Vetting Process and Procedures

Step 1 – Initial Screening

- Before engaging with any third party, the responsible department conducts an **initial background check** to verify:
 - Legal registration and license,
 - Tax number or equivalent identification,
 - Ownership structure and authorized representatives,
 - Contact details and operational address.
- For individuals: copy of national ID/passport and relevant professional references.
- For organizations: copies of registration certificates, governance documents, and previous project references.

Step 2 – Risk Assessment

- Each potential partner is assessed for **reputational, legal, operational, and financial risks**.
- A **Third-Party Risk Assessment Form** is completed to evaluate:
 - Past performance and financial stability,
 - Involvement in legal or corruption cases,
 - Links to politically exposed persons (PEPs),
 - Potential conflicts of interest,
 - Alignment with UFUK's ethical and humanitarian principles.

Step 3 – Screening Against Sanctions and Watchlists

- All third parties are checked against the following:
 - **UN Security Council Sanctions Lists**
 - **EU Sanctions Database**
 - **OFAC (U.S. Treasury) Sanctions Lists**



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Local governmental and donor-specific watchlists

- Internal UFUK compliance database (if available)

If a match or concern is found, the case is **escalated to the Compliance Officer** for review and decision.

Step 4 – Approval and Documentation

- Only vetted and approved third parties are eligible for contractual engagement.
- Approval is granted by the relevant **department head and finance/compliance officer**.
- All vetting documents are archived in both digital and hard-copy form for audit purposes.
- Contracts must include clauses on:
 - Anti-corruption and anti-terrorism compliance,
 - Confidentiality, data protection, and safeguarding obligations,
 - Termination rights in case of breach.

Step 5 – Ongoing Monitoring

- Third-party relationships are **continuously monitored** throughout project implementation.
- Any behavioral, financial, or legal change must be immediately reported and re-assessed.
- Re-vetting is conducted annually or upon contract renewal.

5. Roles and Responsibilities

- **Board of Directors:** Approves the overall vetting policy and ensures compliance.
- **Executive Management:** Oversees implementation and ensures consistency across departments.
- **Compliance Officer / Finance Department:** Conducts risk screening and maintains vetting documentation.
- **Project and Procurement Teams:** Ensure partners and suppliers are vetted before engagement.
- **All Staff:** Must report any suspicion or conflict of interest related to third parties.

6. Data Management and Confidentiality

- All information collected during vetting is treated as **confidential** and stored securely.
- Data processing complies with national data protection laws and the Association's privacy policy.

- Access to vetting records is limited to authorized personnel only.

7. Rejection and Blacklisting

The Association reserves the right to **reject or terminate** relationships with third parties that:

- Fail to meet ethical, legal, or financial standards,
- Are found on international sanctions lists,
- Are involved in corruption, exploitation, or fraud,
- Provide false information during the vetting process.

Such entities may be added to an **internal blacklist** and barred from future collaboration.

8. Review and Updating

This policy is reviewed **annually** by the Compliance and Management teams to ensure alignment with evolving donor, legal, and operational requirements.

Sincerely,

The Board of Directors and Legal Team of UFUK Association for Relief and Development

For detailed questions, please contact,

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