NPO Legal Issues

Keeping an eye on non-profit laws

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About NPO Legal Issues:

This is an electronic newsletter published by: **Ricardo Wyngaard Attorneys** which is aimed at updating the non-profit sector on relevant legal issues.

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'THE FATF MUTUAL EVALUATION'

By: Ricardo Wyngaard

Ricardo Wyngaard Attorneys is a law practice that specialises in rendering advice and assistance on non-profit law and governance.

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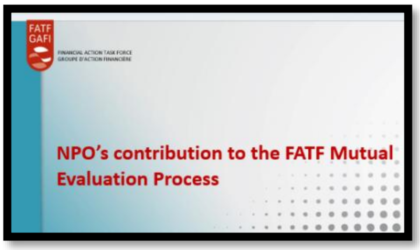

THE FATF MUTUAL EVALUATION: WHAT NPOs NEED TO KNOW:

Summary of the FATF Engagement Session for South African NPOs

By Ricardo Wyngaard

On 17 April 2026, a critical engagement session was held in Pretoria to outline the upcoming Financial Action Task Force (FATF) Mutual Evaluation process and clarify the non-profit sector's involvement. As South Africa prepares for its upcoming evaluation, it is essential for NPOs to understand how this process works and what will be expected of them.

Background to the Mutual Evaluation: The FATF is a global standard-setting body that establishes frameworks for Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT). The Mutual Evaluation is a peer review process designed to assess a jurisdiction's compliance with FATF standards and to improve its overall AML/CFT regime. The evaluation is an 18-month process. While preparatory work has already begun, the official start date for South Africa is July 2026. This will be followed by an on-site visit by the assessment team in March 2027, with the final Mutual Evaluation Report scheduled for adoption in October 2027.

The two tracks of assessment: The evaluation does not apply a rigid, identical standard to every nation. Instead, it begins with an analysis of South Africa's specific risks and context. The evaluation then proceeds along two parallel tracks.

The first is the *Technical Compliance Assessment*, which evaluates whether South Africa has established the necessary laws, regulations, and institutional designs on paper. The second is the *Effectiveness Assessment*, which evaluates whether these established systems are actually achieving their intended goals in practice. The final report combines these assessments to provide ratings and prioritised recommendations.

Implications for the NPO sector: A critical theme of the engagement was managing the sector's expectations. The key message from the FATF is that the assessment is of South Africa's AML/CFT system as a whole, not an audit of individual NPOs. While FATF Recommendation 8 directly covers NPOs, the evaluation's focus on this sector is centred on Terrorist Financing (TF) risks, not general money laundering. Crucially, the FATF does not consider NPOs to be reporting entities. However, assessors still require dialogue with the sector to understand its contribution to the functioning of the AML/CFT system.

The on-site visit and NPO participation: The most direct involvement for the sector will occur during the assessment team's three-week on-site visit in March 2027. Based on their risk analysis, the team will request brief meetings with a diverse subset of two or three NPO representatives. Selected NPOs are advised to bring operational staff and compliance officers, focusing on real-life examples rather than long presentations. Assessors will want to discuss how NPOs assess their exposure to TF risks, their internal governance measures, their interactions with authorities, and whether current AML/CFT measures disrupt legitimate NPO activities.

Ricardo has since the beginning of 2023 also served as the Head of Legal at iZinga Assist.

iZinga Assist launches Donor Journey
The first digital platform to track every rand from donor to impact
Cape Town, South Africa May 2026

iZinga Assist, South Africa's leading non-profit organisation (NPO) verification platform, has officially launched its Donor Journey feature, allowing donors to give with full confidence and real-time visibility into exactly how their money is spent.

"This is a gamechanger for African philanthropy," said Derek Lubner, Co-Founder and Chairman of iZinga Assist. "For the first time, donors can see their money move from the moment they donate all the way to real impact on the ground. We've built the infrastructure of trust that the sector has been missing."

The Donor Journey platform introduces complete end-to-end transparency. Funds are transferred into a secure Shoprite Money Market Account of each NPO, and every transaction is tracked in real-time. As verified NPOs spend the money on approved projects, donors automatically receive clear updates showing exactly how their contribution has been used.

"At iZinga Assist, we verify NPOs through our rigorous 20-step process and 5-star rating system," said Henk Swanepoel, Co-Founder and CEO. "The Donor Journey closes the final gap. Donors can now track their donations through our Shoprite Money Market integration, with every voucher and transaction linked directly to their chosen project. This level of traceability has never existed before for South African non-profits."
The platform currently has 261 NPOs onboarded, with 76 fully verified and rated, and 15 organisations live and ready to receive donations — with these numbers growing daily as more verified NPOs complete the process. The Donor Journey is now live and available to all verified organisations and donors across South Africa.
For more information or to begin your Donor Journey, visit www.izassist.org

About iZinga Assist
iZinga Assist is a UK-registered charity with a South African non-profit affiliate. It is South Africa's first digital verification and rating platform for non-profit organisations.
Through rigorous verification, real-time tracking, and transparent systems, iZinga Assist is rebuilding trust in philanthropy, ensuring every donation reaches its intended destination and creates real, measurable impact.