

## Counter Terrorism Policy

March 2022

<b>Board Ratification Dates</b>	2011, 2016	Earlier policy history held with the NCCA.
<b>Revision Date</b>	March 2022	Removed Asian Development Bank sanctions list as required list to screen names against, as it is not required by DFAT.
	November 2021	Revised to align policy with risk appetite. Revised reporting steps for clarity. Transferred procedural actions from policy to procedures. Updated 'beneficiary' to 'project participant'.
	October 2020	Reviewed in reference to Australian Government, Safeguarding Your Organisation Against Terrorism Financing (2009) and the ACFID Code of Conduct. Numerous changes made to specify or clarify commitments. Definitions added and clarification of reporting obligations. Operational level information taken out and placed in the Operations Manual. Condensed and reorganised to respond to the Policies Policy.
	2017	To ensure compliance with DFAT's Counter Terrorism Policy
<b>Reaffirmation Date</b>		
<b>Next Review Date and Cycle</b>	Nov 2024	Every three years from date of ratification or last full review or earlier if required.

## **1. Policy Statement**

As a humanitarian and development organisation we have a long-standing commitment to human rights and humanitarian law, including a commitment to humanitarian principles, in particular the humanitarian imperative, and we condemn all forms of violence against civilians, including terrorism. Act for Peace will take all reasonable efforts to prevent the financing or support of terrorism or terrorist organisations. Act for Peace also has a duty to ensure our funds and resources are used for their intended humanitarian and development purpose, along with a duty of care to respect, protect and fulfil the rights of the affected communities we seek to serve with the highest ethical standards in the implementation of our programs.

This policy commits Act for Peace to:

- a. Employ all reasonable efforts commensurate with identified risks to minimise the likelihood of supporting listed terrorist individuals, organisations or activities, as applicable under Australian law.
- b. Comply with Australian and international laws<sup>1</sup> and ensuring our partners, sub-contractors, staff, volunteers, consultants and Board comply with laws through adherence to processes and policies that minimise the risk of support for individuals and organisations associated with terrorism.

## **2. Objectives**

- a. To promote and implement best practice principles to safeguard against misuse of funds for terrorism purposes and build a culture of accountability, transparency and due diligence that minimises the risk that funds or resources managed by Act for Peace are misused to support the actions of listed individuals and organisations associated with terrorism in proscribed lists.
- b. To ensure Act for Peace staff and partners abide by legal requirements pertaining to support of listed individuals and organisations associated with terrorism.
- c. To ensure pro-active measures are undertaken to identify, assess, mitigate, monitor review and report risks.
- d. To apply our best endeavours to ensure donations and funds do not support organisations or individuals seeking to launder money<sup>2</sup>.
- e. To ensure an appropriate system for elevated risk management and reporting.

## **3. Principles and Standards**

Act for Peace is guided by best practice principles of complying with legal obligations, being risk aware and acting appropriately commensurate with the level of risk, applying due diligence, including elevated risk management and reporting, transparency and accountability. We also seek assurance that third parties will comply with these best practice principles.

Act for Peace abides by international legal obligations including UN Security Council resolutions<sup>3</sup>, Australian Commonwealth, State and Territory laws, and recognised national law in countries where we operate or have partnerships and programs we support. Where national laws conflict with International

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<sup>1</sup> There are two separate legislative mechanisms directly prohibiting activities in relation to individuals and organisations associated with terrorism; Part 5.3 of the Criminal Code Act 1995 ('the Criminal Code'); and Part 4 of the Charter of the United Nations Act 1945 ('the UN Charter Act').

<sup>2</sup> Money laundering is more fully addressed in Act for Peace's fraud control procedures.

<sup>3</sup> There are two separate legislative mechanisms directly prohibiting activities in relation to individuals and organisations associated with terrorism; Part 5.3 of the Criminal Code Act 1995 ('the Criminal Code'); and Part 4 of the Charter of the United Nations Act 1945 ('the UN Charter Act').

and Australian law, the later will take precedence, and in cases where domestic law is illegitimately constituted, for example, by authoritarian governments. Act for Peace also acknowledges Australia's commitment to combating terrorism financing as a party to the *International Convention for the Suppression of the Financing of Terrorism*. This policy has also been informed by the Attorney-General's Department document, *Safeguarding your Organisation Against Terrorism. A Guidance for Non-profit Organisations*<sup>4</sup>.

Act for Peace will not partner with or engage a staff member, volunteer, intern, Board Member or consultant, or sub-contract to, or employ entities or individuals appearing on the following proscribed terrorist lists:

- a. The Australian Government's [Consolidated List](#) which includes all persons and entities designated by the UN and Minister for Foreign Affairs for their association with the commission of terrorist acts pursuant.
- b. The [List of Terrorist Organisations](#) which includes all organisations proscribed by the Australian Government as terrorist organisations under the Criminal Code because they advocate the undertaking of a terrorist act.
- c. The [World Bank's Listing of Ineligible Firms and Individuals](#).
- d. The Australian Securities and Investments Commission [ASIC Disqualified Persons Register](#) which lists persons who have been disqualified from the management of a corporation, self-managed superannuation fund or banned from practicing in the Australian financial services or credit industry.
- e. The Australian Charities and Not-for-Profits Commission ([ACNC Register of Disqualified Persons](#)), which lists responsible persons suspended or removed from a charity by the ACNC.
- f. Other lists as may be required by donors or regulatory bodies.

This policy supports, and should be read in conjunction with, the following Act for Peace policies: Act for Peace's vision, mission and values, Code of Good Practice, Code of Conduct, Risk Management Policy and Framework, Human Rights Policy, Complaints Policy, and Whistle-blower Policy.

#### **4. Scope**

This policy applies to Act for Peace staff, Board, and volunteers and informs Act for Peace practices of funds transfers to overseas and domestic suppliers, contractors, consultants and partners, and overseas monitoring and evaluation of projects and partners ('third parties'). All Act for Peace Board members, staff and volunteers are expected to be aware of this policy and understand counter-terrorism risk management procedures related to their areas of work.

#### **5. Policy in action**

Act for Peace employs the principle of 'reasonable efforts' to ensure resources do not assist, or otherwise support, listed individuals or terrorist organisations. Act for Peace undertakes to manage those risks through reasonable efforts described below, and in operational procedures.

Act for Peace will exercise reasonable precautions and due diligence:

- a. Engages with partners with shared values and a clear track record as respectable humanitarian and community development practitioners.
- b. Follows the requirements of all donor funding agreements related to those funds.
- c. Identifies and monitors the level of risk that we may be exposed to in relation to terrorism resourcing and applies risk treatments commensurate with the level of risk. This can include

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<sup>4</sup><https://www.homeaffairs.gov.au/criminal-justice/files/safeguarding-your-organisation-against-terrorism-financing-booklet.pdf>

- increasing treatments when a risk is assessed as 'high', such as increasing frequency of screening against proscribed terrorist lists, of financial reporting requirements and of in-country reviews.
- d. Periodically screens existing and new staff, and volunteers, including Board members who can influence financial decisions.
  - e. Periodically screens existing and new partners and sub-contractors<sup>5</sup> and their relevant staff<sup>6</sup> against proscribed terrorist lists.
  - f. Includes in our Grant Agreements explicit requirements related to counter terrorism.
  - g. Ensures all funded partners agree to, and participate in, counter-terrorism screening procedures and our transparency, accountability and compliance requirements, and with all applicable laws.
  - h. Conducts cyclical reviews and robust monitoring and evaluation, to ensure that funds are used for stated objectives and that adequate information about the nature of a Partner's project is provided.
  - i. Promotes transparency and accountability including financial accountability and management in capacity building initiatives with all partners.
  - j. Supports staff, volunteers, and Board members to be aware of the level of risk that the organisation may be exposed to in relation to terrorism resourcing and, where risk is evident, ensure that precautions are in place.
  - k. Maintains clearly documented records and evidence of screening undertaken. We do not vet individual project participants (formerly referred to as beneficiaries) in affected communities against the sanctions lists.
  - l. Maintains clearly documented records of what assistance has been provided, who has received it, and the details of any third parties involved.

### Reporting

Staff or volunteers immediately report any concerns of support to terrorism or terrorism resourcing to the CEO who will immediately:

- ✓ Suspend the delegation of authority held by a staff or volunteer if suspected of breaching this Policy, to mitigate future risk. If it is proven that the policy has been intentionally breached in order to finance terrorism, the staff or volunteer engagement will be immediately terminated, and the matter may be referred to the police and other Australian government authorities. If the suspicion is proven to be invalid, the delegation of authority will be reinstated.
- ✓ Cease any further transfer of funds to a partner if a partner, a staff member of a partner, or a sub-contractor or supplier of a partner have been suspected of or found to have engaged in support to a listed terrorist organisation, or if there is reason to believe there is elevated risk of terrorism resourcing due to poor financial controls. In the case of a suspected match, transfer of funds will cease until a completed investigation reveals that the individual or entity is without links to terrorist activities.
- ✓ Report to the Chair or Deputy Chair of the Board any suspected action on behalf of a Board member that relates to breach of this policy. If it is proven that the policy has been intentionally breached, the Board member's engagement will be terminated, and the matter may be referred to the police. If the suspicion is proven to be invalid, the Board member will be reinstated.

The CEO (or delegate) immediately reports (within 24 hours of being aware of) any activity that directly or indirectly involves listed individuals and organisations associated with terrorism, actual or suspected

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<sup>5</sup> A sub-contractor is any individual or organisation involved in the implementation of a project funded by Act for Peace, or an individual or organisation contracted by an Act for Peace partner to engage in the implementation of a project supported by Act for Peace.

<sup>6</sup> Relevant staff means all members of the governing body, CEO and CFO (or equivalent) and staff who can influence financial decisions.

terrorism financing, or suspected money-laundering to the Australian Government as required under Australian law:

- For DFAT related activities, any suspected or actual acts of terrorism resourcing, or any exact matches to the proscribed lists, is reported to DFAT at:
  - counter-terrorism.resourcing@dfat.gov.au or sanctions@dfat.gov.au
- For all other suspected or actual acts of terrorism resourcing, contact the National Security Hotline:
  - 1800 123 400 (inside Australia)
  - +61 1300 123 401 (outside Australia)

## 6. Definitions and Explanations

**Affected communities:** Refers to those natural persons, or groups of natural persons who receive charitable, humanitarian or other types of protection and solutions through the services of the NGO. This assistance can be material or non-material.<sup>7</sup>

**All reasonable effort:** is used to reflect the need for positive action and a common-sense approach, based on the level of risk, to meet legal obligations and avoid inadvertently financing terrorist activity.

**Funds:** refers to assets of any kind or property of any kind, whether tangible or intangible, movable or immovable, however acquired, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such property or assets, including, but not limited to, bank credits, traveller's cheques, bank cheques, money orders, shares, securities, bonds, debt instruments, drafts and letters of credit.

**Listed individuals or organisations** means any individual or organisation that appears on a proscribed list.

**Match:** The finding of similar or same names or other details between a reference list and a proscribed list which indicates the possibility that there could be a relationship between Act for Peace funds and a terrorist entity. A match is only 'true' when the match between the reference and proscribed lists is confirmed as being the same person or entity.

**Partner:** For the purposes of this policy, Partner refers to any organisation or person that Act for Peace partners with to deliver program services. Act for Peace partners are formally engaged through the signing of a Partnership Agreement and Grant Agreements.

**Proscribed lists:** Official lists of the names of terrorist individuals or organisations against which Act for Peace checks reference lists. It is against relevant legislation and Act for Peace mandate to support an entity identified within these lists.

**Reference lists:** An organisation's list of personnel, suppliers, contractors and consultants who receive or have access to Act for Peace funds which is compared against proscribed lists in case of details being repeated on one or more lists.

**Sub-contractor:** An individual or organisation engaged in the implementation of a project supported by Act for Peace, or an individual or organisation contracted by an Act for Peace partner to engage in the implementation of a project supported by Act for Peace.

**Suspicious activity:** is any activity where a known or suspected terrorist individual or organisation is involved, or where a known or suspected terrorist act is to occur. This includes, but is not limited to, any activity involving any listed individuals or organisations.

**Terrorism:** In this context, a terrorist act is an act, or a threat to act, that meets both these criteria:

- Terrorism intends to coerce or influence the public or any government by intimidation to advance a political, religious or ideological cause.

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<sup>7</sup> <https://www.homeaffairs.gov.au/criminal-justice/files/safeguarding-your-organisation-against-terrorism-financing-booklet.pdf>

- Terrorism causes one or more of the following:
  - death, serious harm or danger to a person
  - serious damage to property
  - a serious risk to the health or safety of the public
  - serious interference with, disruption to, or destruction of critical infrastructure such as a telecommunications or electricity network.<sup>8</sup>

Advocating, protesting, dissenting or taking industrial action are not considered terrorist acts where the person doing the activity does not intend to cause serious harm to a person or create a serious risk to public safety.

**Third Party:** is any individual or organisation other than a project participant to which Act for Peace provides funding or support to, or receives funding or support from, to carry out its usual functions, including fund raising and delivering aid. 'Third Party' includes, but it not limited to, partners, intermediaries, contractors, sub-contractors and service providers.

### Resource and Reference List

1. Australian Government, Attorney General's Department, [Australia's counter-terrorism laws](#)
2. [Australian National Terrorism Threat Advisory System List of Terrorist Organisations](#)
3. Commonwealth Criminal Code Act 1995 (Cth)
4. Australian Government, [Safeguarding Your Organisation Against Terrorism Financing](#)
5. Australian Government Department of Foreign Affairs and Trade, [Consolidated List](#)
6. ICRC, [International treaties against terrorism and the use of terrorism during armed conflict and by armed forces](#)

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<sup>8</sup> Attorney General's Department, <https://www.ag.gov.au/NationalSecurity/Counterterrorism/Pages/Australiascounterterrorismlaws.aspx>