

# AfP Counter-Terrorism Policy

(February 2016)

---

**Date of next review:**

February 2019

- 1. Introduction**
- 2. Rationale**
- 3. Scope and Purpose**
- 4. Applicable Humanitarian Standards and Guidance**
- 5. AfP Policy Objectives**
- 6. AfP's Approach and Focus Areas**
  - 6.1. AfP Approach**
  - 6.2. AfP Focus areas**
  - 6.3. AfP's work with partners and capacity building with partners**
- 7. Reporting, review and relevance to other AfP guidelines and policies**

### **1. Introduction**

As a humanitarian and development organisation and a long-standing advocate of human rights and humanitarian law, Act for Peace (AfP) condemns all forms of violence against civilians, including 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.
- 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; and
  - serious interference with, disruption to, or destruction of critical infrastructure such as a telecommunications or electricity network.<sup>1</sup>

Advocating, protesting, dissenting or taking industrial action are not 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.

Terrorist activities are reliant on financial support. The Australian Department of Foreign Affairs and Trade (DFAT) advises that terrorists have sought to manipulate and misappropriate resources from humanitarian and development NGOs to underpin their operations.<sup>2</sup>

The Australian Charities and not-for-profits Commission states that terrorists can misuse funds from Non-Profit Organisations (NPO) to finance and support their activities, with or without the charity's knowledge, including through:

- Using charity funding;
- Using charity assets;
- Using the charity's name and status;
- Cleaning money through charities;
- Committing financial abuse within a charity; and

---

<sup>1</sup> Attorney General's Department,  
<https://www.ag.gov.au/NationalSecurity/Counterterrorismlaw/Pages/Australiascounterterrorismlaws.aspx>

<sup>2</sup> DFAT,  
<https://www.ag.gov.au/CrimeAndCorruption/AntiLaunderingCounterTerrorismFinancing/Documents/Safeguardingyourorganisationagainstterrorismfinancing-booklet.pdf>

- Setting up a charity for an illegal or improper purpose.

As AfP works in overseas contexts, there are particular risks associated with our work, including in relation to:

- Working with and/or donating funding to other NPO's for aid and development projects overseas;
- Working with NPOs with a range of organizational capacity;
- Remote management and monitoring;
- Operating in regions where terrorist activity is known to occur.

## **2. Rationale**

As a humanitarian and development organisation, a long-standing advocate of human rights and humanitarian law, and an advocate for resolving conflict through peaceful, non-violent means, AfP condemns all forms of violence against civilians, including terrorism and is committed to taking all relevant measures to prevent the financing or support of terrorism or terrorist organisations. AfP 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.

Furthermore, AfP acknowledges that the consequences of becoming involved in terrorist financing, even indirectly or inadvertently, would irreparably damage our reputation, status and donor confidence.

## **3. Scope and Purpose**

This policy commits AfP to:

- Strictly adhering to practices that minimise the risk to its programs or activities in any way that could provide support to individuals and organisations associated with terrorism
- Apply our best endeavours to ensure donations and refunds do not support organisations or individuals seeking to launder money.<sup>3</sup>

The Policy outlines a series of best practice principles to most effectively manage this risk to inform operational procedures.

## **4. Applicable Laws and Guidance**

The international community have rightly taken strong measures against terrorism through UN Security Council resolutions and domestic laws, specifically:

- Individuals or organisations, may face criminal penalties if they provide financial support or facilitate payments to a terrorist individual, organisation or act.
- The Criminal Code Act 1995 (Cth) ('the Criminal Code') sets out criminal penalties (up to life imprisonment) for providing support intentionally or recklessly to a terrorist organisation.
- Penalties also apply under the Charter of the United Nations Act 1945 (Cth) ('the Charter of the UN Act') for making assets available to a proscribed person or entity.

AfP adopts these resolutions and laws, and also acknowledges Australia's commitment to combating terrorism financing as a party to the *International Convention for the Suppression of the Financing of*

---

<sup>3</sup> Money laundering is more fully addressed in Act for Peace's fraud control procedures.

*Terrorism* and notes the recommendations of the *Financial Action Task Force (FATF) Special Recommendation VIII*. 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>.

This policy commits AfP to complying with Australian laws and ensuring our partners, sub-contractors<sup>5</sup> and staff comply with local domestic laws through strict adherence to processes and policies that minimise the risk of support for individuals and organisations associated with terrorism.

AfP will not partner with, sub-contract to or employ entities or individuals appearing on the following lists:

- The Australian Government's [Consolidated List](#)<sup>6</sup> 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;
- 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;
- The [World Bank's Listing of Ineligible Firms and Individuals](#), and;
- The [Asian Development Bank's Sanctions List](#).

## 5. AfP Policy Objectives

The objective of this Policy is to ensure AfP staff and partners strictly abide by all legal requirements pertaining to support of individuals and organisations associated with terrorism. In doing so, AfP will ensure strict pro-active measures are undertaken to identify, mitigate, monitor, review and report risks, while also promoting a culture of accountability, transparency and due diligence that minimises the risk that funds or resources managed by AfP are misused to support the actions of individuals and organisations associated with terrorism.

## 6. AfP's Approach and Focus Areas

### 6.1. AfP Approach

AfP holds a zero-tolerance approach to terrorism. Accordingly, AfP will:

- **Annually screen existing** partners, their staff and sub-contractors against the Australian Government's Consolidated [List](#) and [List of Terrorist Organisations](#) as well as the World Bank's Listing of Ineligible Firms and Individuals and the Asian Development Bank's Sanctions List and undertake assessments of all new partners and their staff against these lists.
- **Immediately report (within 24 hours) any program activity that directly or indirectly involves individuals and organisations associated with terrorism or suspected money-laundering to DFAT.** If an AfP partner, a staff member of an AfP partner, or a sub-contractor of an AfP partner have been found to have engaged in support to a terrorist organisation, AfP will immediately cease any further transfer of funds to that partner and notify the Australian Government as required under Australian law. If an AfP partner, a staff member of an AfP

---

<sup>4</sup><https://www.ag.gov.au/CrimeAndCorruption/AntiLaunderingCounterTerrorismFinancing/Documents/Safeguardingyourorganisationagainstterrorismfinancing-booklet.pdf>

<sup>5</sup> A sub-contractor is any individual or organisation involved in the implementation of a project funded by Act for Peace.

<sup>6</sup> From the regulations made under the Criminal Code Act 1995 and regulations made under the Charter of the United Nations Act 1945 (Cth)

partner, or a sub-contractor of an AfP partner, is listed as a terrorist organisation or appears on the Consolidated List or the List of Terrorist Organisations, AfP will also immediately cease any further transfer of funds to that partner and notify the Australian Federal Police. If it is not immediately clear whether there is a match between the name provided and any name on the Consolidated List, AfP staff must request the assistance of the Australian Federal Police to determine whether or not an asset is owned or controlled by a person or entity on the Consolidated List.

- **Report any actual or suspected terrorism financing.** In such instances, the [National Security Hotline](#) will be immediately contacted. AfP will also notify the Australian Charities and Not-for-profits Commission, with whom we are registered, of any breaches of obligations.
- **Ensure elevated risk procedures are observed when:**
  - Working in environments assessed to be high risk through our risk management review;
  - Where partner organisations have been observed using weak financial controls during initial capacity assessments or subsequent partnership reviews; or
  - The beneficiaries of development or humanitarian aid are unclear.
- **Where elevated risk procedures are enacted, AfP will:**
  - Increase the frequency of screening partner staff lists and their sub-contractors against the Consolidated List and List of Terrorist Organisations as well as against the World Bank's Listing of Ineligible Firms and Individuals and the Asian Development Bank's Sanctions List to monthly checks;
  - Escalate financial reporting requirements (for example, to monthly and/or quarterly reports);
  - Escalate in-country reviews of programs and processes annually (for example, to monthly and/or quarterly reports).

In addition to these specific pro-active measures, AfP also acknowledges the need to ensure the promotion and adherence to holistic best practice policy development and implementation to mitigate and respond to the risks posed by individuals and organisations associated with terrorism. Specifically:

*(i) Risk management*

- We will identify and monitor the level of risk that we may be exposed to in relation to terrorism financing, and where risk is evident, take necessary precautions.
- We will ensure that staff and volunteers are aware of the level of risk that they may be exposed to in relation to terrorism financing and, where risk is evident ensure that precautions are in place.
- We undertake a thorough assessment of any new partners.

*(ii) Due diligence*

- We have been in partnership with many of our partners for over 10 or 20 years and endeavour to know their staff and work as well as possible.
- We work as a member of the ACT Alliance and engage like-minded local ecumenical partners with long-standing and a clear track records as respectable community development practitioners.
- All funded partners agree to participate in counter-terrorism screening procedures and to our transparency and accountability requirements.
- AfP conducts counterterrorism screening, rather than relying on the partner or prospective partner to conduct this themselves.

*(iii) Transparency and accountability*

- We seek to promote financial accountability and management in capacity building initiatives with all partners.
- We maintain clearly documented records of what assistance has been provided, who has received it, and the details of any third parties involved.
- Our Partnership and Grant Agreements include explicit requirements related to counter-terrorism.
- Through cyclical reviews and robust monitoring and evaluation, we ensure that funds are used for stated objectives and that adequate information about the nature of their projects is provided.
- We undertake to report suspicious activity to DFAT, the Australian Federal Police, and the National Security Hotline as required.

*(iv) Using Third Parties<sup>7</sup>*

- We will continue to make all reasonable efforts to ensure the third party is aware of, and seek assurance that the third party will comply with, all applicable laws.
- We will continue to make all reasonable efforts to ensure the third party is aware of, and seek assurance that the third party will comply with our approach to counter-terrorism. .

In addition, AfP understands that it (or the National Council of Churches in Australia) must not be listed on DFAT's consolidated list of individuals and entities subject to targeted financial sanctions, the Attorney General's Department List of Terrorist organisations; the World Bank Listing of ineligible firms and individuals or the Asian Development Bank Sanctions List. AfP must also ensure that no member of the AfP Commission and NCCA Board appears on the [ASIC Disqualified Persons Register](#) (which lists persons who have been disqualified from the management of a corporation, self-managed superannuation fund or banned from practising in the Australian financial services (AFS) or credit industry) or the [ACNC Register of Disqualified Persons](#) (which lists responsible persons suspended or removed from a charity by the ACNC).

## **7. Reporting, review and relevance to other AfP guidelines and policies**

This policy should be reviewed every three years and annual summaries of counter-terrorism checks and processes made available to the AfP Executive Director. This policy supports, and should be read in conjunction with, the following AfP policies: AfP's vision, mission and values, AfP's Code of Conduct, AfP's Risk Management Policy, AfP's Risk Management Framework. These are given effect through the operating procedures and processes contained within AfP's Operations Manual.

---

<sup>7</sup> Third parties include AfP partners.

## Annex 1: Objectives and Indicators

OBJECTIVES	INDICATORS	ACTIVITIES
<p>To ensure AfP does not support individuals or organisations associated with terrorism</p>	<ul style="list-style-type: none"> <li>▪ AfP ensures against unintentionally or indirectly providing support for terrorism</li> </ul>	<ul style="list-style-type: none"> <li>▪ AfP checks all key NCCA and AfP staff, key AfP partner individuals, key AfP partner sub-contractor individuals, members of the AfP Commission and NCCA Board are not listed on the Australian Government’s Consolidated List and List of Terrorist Organisations.</li> <li>▪ AfP checks all partners, all partner sub-contractors are not listed on the Australian Government’s Consolidated List and List of Terrorist Organisations, the World Bank’s Listing of Ineligible Firms and Individuals and the Asian Development Bank’s Sanctions List.</li> <li>▪ Before entering new partnerships, and during annual reviews of existing agreements, AfP checks the partner organisation is not listed in the Australian Government’s Consolidated List and List of Terrorist Organisations, as well as the World Bank’s Listing of Ineligible Firms and Individuals and the Asian Development Bank’s Sanctions List.</li> <li>▪ AfP Commissioners and NCCA Board members are screened against the ASIC Disqualified Persons Register and the ACNC Register of Disqualified Persons.</li> <li>▪ Records of all checks conducted will be kept in a register to enable management oversight</li> <li>▪ AfP utilises a thorough risk management framework in the design, monitoring and review of all programs</li> <li>▪ AfP ensures activities and financial transactions are actively monitored and reported transparently</li> <li>▪ AfP maintains financial records for at least 7 years</li> <li>▪ AfP instigates elevated financial risk procedures as risks increase.</li> </ul>
	<ul style="list-style-type: none"> <li>▪ AfP immediately reports terrorist risks to enable prompt prevention, mitigation and response actions</li> </ul>	<ul style="list-style-type: none"> <li>▪ Any action, individual or organisation AfP suspects may be in support of terrorist activity is reported to DFAT and the Australian Federal Police within 24 hours.</li> <li>▪ If AfP suspects any terrorist activity it will be reported to the National Security Hotline.</li> <li>▪ AfP’s Risk Management Framework monitors and reports risks pertaining to individuals and organisations associated with terrorism.</li> <li>▪</li> </ul>

## Annex 2. Glossary<sup>8</sup>

**All reasonable efforts:** 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.

**Beneficiaries:** 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.

**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, travellers cheques, bank cheques, money orders, shares, securities, bonds, debt instruments, drafts and letters of credit.<sup>3</sup>

**Listed individuals or organisations** means any individual or organisation which appears on either of the following lists:

- I. **The Consolidated List** of all persons and entities subject to targeted financial sanctions under United Nations Security Council decisions and maintained by the Department of Foreign Affairs and Trade pursuant to Regulation 40 of the Charter of the United Nations (Dealing with Assets) Regulations 2008. This list is therefore not limited to terrorist organisations, but does include all persons and entities designated by the United Nations Security Council's Al-Qa'ida and Taliban Committee pursuant to Resolution 1267 (1999) and all persons and entities designated by the Minister for Foreign Affairs for their association with the commission of terrorist acts pursuant to Resolution 1373 (2001).
- II. **List of Terrorist Organisations** – Organisations which have been proscribed by the Australian Government as terrorist organisations under the Criminal Code because they advocate the doing of a terrorist act (regardless of whether or not a terrorist act occurs), or because they are directly or indirectly engaged in, preparing, planning, assisting in or fostering the doing of a terrorist act (regardless of whether or not a terrorist act occurs). Before an organisation can be listed the Attorney-General must be satisfied on reasonable grounds that the organisation 'is directly or indirectly engaged in, preparing, planning, assisting in or fostering the doing of a terrorist act'.

**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.

**Third Party:** is any individual or organisation other than a beneficiary to which the NPO 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.

---

<sup>8</sup> DFAT Safeguarding Your Organisation Against Terrorism Financing  
[www.ag.gov.au/CrimeAndCorruption/AntiLaunderingCounterTerrorismFinancing/Documents/Safeguardingyourorganisationagainstterrorismfinancing-booklet.pdf](http://www.ag.gov.au/CrimeAndCorruption/AntiLaunderingCounterTerrorismFinancing/Documents/Safeguardingyourorganisationagainstterrorismfinancing-booklet.pdf)



### Annex 3: Resource and Reference List

1. Attorney General's Department, Australia's counter-terrorism laws, <https://www.ag.gov.au/NationalSecurity/Counterterrorismlaw/Pages/Australiascounterterrorismlaws.aspx>
2. Australian National Terrorism Threat Advisory System List of Terrorist Organisations, <https://www.nationalsecurity.gov.au/Pages/default.aspx>
3. Commonwealth Criminal Code Act 1995 (Cth), [http://www.austlii.edu.au/au/legis/cth/consol\\_act/cca1995115/sch1.html](http://www.austlii.edu.au/au/legis/cth/consol_act/cca1995115/sch1.html)
4. DFAT Safeguarding Your Organisation Against Terrorism Financing <https://www.ag.gov.au/CrimeAndCorruption/AntiLaunderingCounterTerrorismFinancing/Documents/Safeguardingyourorganisationagainstterrorismfinancing-booklet.pdf>
5. DFAT Consolidated List, <http://dfat.gov.au/international-relations/security/sanctions/pages/consolidated-list.aspx#list>
6. ICRC, International treaties against terrorism and the use of terrorism during armed conflict and by armed forces [https://www.icrc.org/eng/assets/files/other/irrc\\_864\\_odonnell.pdf](https://www.icrc.org/eng/assets/files/other/irrc_864_odonnell.pdf)

