

Anglican Board of Mission – Australia

Policy ABM1035/AID1035

Terrorism and Security Policy

Accepted by the AID Board May 2022

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To be reviewed no later than 2027

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Background and Context

Since 2001, the Australian government and the international community have taken strong measures against *Terrorism*, *Terrorism Financing*, and *Money Laundering* through domestic laws¹ and UN Security Council resolutions. The penalties for directly or indirectly supporting *Terrorism*, *Terrorist Organisations*, criminals and criminal organisations are severe, and include criminal sanctions. Furthermore, breaches of *Anti-terrorism* and *Money Laundering* laws have strong negative impacts on the credibility and integrity of Aid and Development organisations, and the safety of communities and staff.

Purpose

To ensure that ABM and AID comply with Australian laws and partners' local domestic laws through processes and policies that minimise the risk of support for and financing of terrorists and *Terrorist Organisations* (specifically those on Lists of Terrorists), and to ensure ABM and AID minimise support for Money Laundering and any other criminal misuse of funds and resources.

Scope

This policy applies to all of ABM and AID's personnel and funded activities, and particularly to programs funded through overseas partners.

¹ Specifically Part 5.3 of the *Criminal Code Act 1995*.

Definitions

Anti-terrorism

Laws or activities intended to prevent or reduce *Terrorist Acts*. Also known as counterterrorism.

Criminal Code List of Terrorist Organisations

A list of organisations that 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 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 a terrorist act occurs).

DFAT Consolidated List

A list of all persons and entities who are subject to targeted financial sanctions or travel bans under United Nations Security Council decisions and maintained by the Australian Department of Foreign Affairs and Trade pursuant to Regulation 40 of the Charter of the United Nations (Dealing with Assets) Regulation 2008. Those listed may be Australian citizens, foreign nationals, or residents in Australia or overseas.

Money Laundering

The process of concealing the origin, ownership or destination of illegally or dishonestly obtained money and hiding it within legitimate economic activities to make them appear legal (Transparency International Anti-Corruption Glossary).

Personnel

Staff, board directors and relevant volunteers of an organisation.

Proscribed Lists of Terrorists and Terrorist organisations

This refers to all lists required by AID or ABM donors, including the DFAT Consolidated List of Individuals and Entities Subject to Targeted Financial Sanctions, the Criminal Code List of Terrorist Organisations and the World Bank Listing of Ineligible Firms and Individuals and other lists as determined from time to time.

Relevant Volunteers

Those volunteers who receive or have access to the organisation's funds.

Terrorism and Terrorist Act

There are disputed definitions of 'terrorism'. In Australian Commonwealth law, terrorism is defined as "an act or threat that is intended to: advance a political, ideological or religious cause; and coerce or intimidate an Australian or foreign government or the public (or section of the public), including foreign public" (Australian *Criminal Code Act 1995*).

Terrorism Financing

Intentionally collecting or providing funds and being reckless about whether the money will be used to facilitate or engage in a terrorist act (Preventing the Financing of Terrorism, Attorney-General's Department).²

² See <https://www.ag.gov.au/national-security/national-security-and-counter-terrorism-law/australias-counter-terrorismlaws/preventing-financing-terrorism> Accessed 5/7/20.

Terrorist Organisation

An organisation that is directly or indirectly engaged in, preparing, planning, assisting in or fostering the doing of a Terrorist Act (*Criminal Code Act 1995*).

World Bank Listing of Ineligible Firms and Individuals

A listing of organisations and persons who have been debarred by the World Bank from participating in World Bank-financed contracts.

Guiding Principles

- a. ABM and AID support the Australian Government's efforts to meet its obligations under the United Nations Global Counter-terrorism Strategy³ and International Legal Instruments and seek to play their part in ensuring that their funds sent overseas do not end up in the hands of individuals or entities on *Proscribed Lists of Terrorists* or criminals and criminal groups engaged in *Money Laundering*.
- b. ABM and AID will ensure they comply with Australian laws, and the laws of its partner countries by following policies and processes that minimise the risk of support, including financial support, for *Terrorism* and *Terrorist Organisations* and criminal groups and individuals.
- c. ABM and AID will ensure they do not inadvertently engage in money laundering or terrorism financing by conducting checks on their own personnel (including staff, relevant volunteers and board directors), and on organisations and individuals from whom they procure goods and services.
- d. In addition, ABM and AID believe that long term solutions are needed that address the conditions from which *Terrorism* may arise, such as lack of economic opportunity, inequitable resource distribution, discrimination, poor governance, religious or political fanaticism, and the mismanagement or illegal exploitation of natural resources.
- e. ABM and AID believe that civil society has a role to play in reducing the threat of *Terrorism* and *Terrorism Financing*, and that conflict prevention, peace building including the promotion of spiritual peace and contentment and addressing the underlying causes of unrest and conflict are important initiatives which contribute to human security through long term sustainable development and poverty reduction.
- f. ABM and AID seek to protect any person working for ABM overseas from security threats through thorough briefings, consultation with partners and security specialists and appropriate preparation.

Policy

- 1 ABM and AID will ensure that *Anti-terrorism* and *Money Laundering* issues form a component of risk management assessments and monitoring by ABM and AID and will require their partners to do the same. Such risk assessments and monitoring will

³ See <https://www.un.org/counterterrorism/ctitf/en/un-global-counter-terrorism-strategy> Accessed 19/10/19

apply to ABM and AID's own procurement of services from financial institutions and will form part of ABM and AID's due diligence processes.

- 2 ABM and AID will conduct a full *Terrorism, Money Laundering*, security and fraud risk assessment of any new partner or project before commencing funding arrangements⁴, and act to mitigate and monitor the risks and review the assessed risk levels. Additionally, ABM and AID will carefully and regularly screen all overseas partners (including staff working on ABM or AID projects, board members and suppliers), and potential partners, to determine whether they appear on *Proscribed Lists of Terrorists*, and whether they have appropriate staff recruitment processes in place to avoid infiltration by such entities and individuals. These requirements will be outlined in ABM and AID's funding agreements and memoranda of understanding.
- 3 ABM and AID will work with partners to encourage them to conduct their own regular *Terrorism and Money Laundering* risk assessments and screening, and risk mitigation, whether this relates to payments to contractors and other providers, or engagement of personnel. Requirements relating to screening for *Terrorism and Money Laundering* risks will be outlined in ABM's and AID's funding agreements and memoranda of understanding. However, ABM and AID will continue to conduct all checks of partner personnel and suppliers until partners reach required capacity to comply with local, Australian and international counter-terrorism and money laundering obligations.
- 4 AID will assist its partners to appropriately identify program beneficiaries in accordance with aid and development standards (eg ACFID Code of Conduct, Core Humanitarian Standard – Commitment 9⁵)
- 5 ABM and AID will require partners to endeavour to ensure funds are used solely for the purposes for which they are given to the partners, as outlined in ABM's and AID's funding agreements and memoranda of understanding and will regularly monitor and evaluate project and program activities to determine whether the requirement is adhered to. If a breach is detected, ABM/AID will report to the relevant authorities and will implement ABM/AID's Fraud and Corruption Policy where appropriate.
- 6 ABM and AID will arrange for regular independent audits of all their funds and AID will require its partners undertake regular audits of their funds, including the funds provided by AID. Additionally, where AID sends more than \$50,000 to a partner each year, ABM will conduct regular in-person monitoring of partner financial systems and internal controls.
- 7 ABM and AID will require that their own and their partner staff are aware of the risks of funding and supporting *Terrorism and Money Laundering*, are committed to taking action, as appropriate. ABM and AID will make appropriate training available to its own and its partner staff in this regard.
- 8 As part of regular project appraisal processes, ABM and AID will review the risk of ABM or AID funding being used to benefit of criminals, or individuals or organisations

⁴ Required by DFAT for all its funding under its Terrorism Resourcing Risk Management Statement <https://dfat.gov.au/international-relations/security/counter-terrorism/Pages/terrorism-resourcing-risk-managementstatement.aspx> Accessed 19/10/19.

⁵ See <https://corehumanitarianstandard.org/the-standard> Accessed 19/10/19

on the *Proscribed Lists of Terrorists* and instigate thorough assessments where the risk is considered 'high'.

- 9 ABM and AID will ensure that their provisions designed to prevent funds coming under the control of *Terrorist Organisations* and criminals are written into all partner funding agreements and memoranda of understanding.
- 10 ABM and AID will maintain an updated list of all its partner staff, board members, contractors and suppliers who may have access to ABM or AID (including DFAT) funds. The names of ABM, AID and partner personnel and all entities and individuals from whom ABM and AID and partners procure goods and services will be regularly checked against proscribed Lists of Terrorist Organisations and Individuals, according to level of risk posed.
- 11 ABM and AID will monitor compliance with the principles as outlined above, including during project monitoring visits, and report to the ABM and AID Boards and relevant Committees, and to the relevant authorities if there is a breach of this policy.
- 12 Further details on all the above may be found in AID's Organisational Procedures Manual, in the section on Counter Terrorism and in ABM/AID's Counter Terrorism and Anti-Money Laundering Procedures.

Review

This policy will be reviewed by 2027.

Policy History	
Name of Policy	Date Adopted
Terrorism and Security	March, 2010
Terrorism and Security	March, 2016
Terrorism and Security	December, 2019
Terrorism and Security	September, 2020
Terrorism and Security	May, 2022

Table of Responsibilities for Implementation of this Policy

Responsible Body/Person	Area of Responsibility	Timeframe
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ABM and AID Boards/Finance Committee	Guiding Principles – Create and maintain an organisational culture of awareness of and vigilance towards the risks of terrorism financing and money laundering #1 Ensure Terrorism Financing and Money Laundering forms part of ABM's organisational risk assessments, including in procurement of financial services #2 Ensure Terrorism, Money Laundering, Security and Fraud Risk Assessments are part of all new partner due diligence processes #11 Receive reports of any breaches of this policy	Ongoing Quarterly Complete Quarterly
ABM/AID CFO/Finance Committee/Compliance Officer	#7 Ensure ABM and AID staff are trained in this policy	At least every three years, or when changes are made to this policy or to Australian law
All program staff	#3, #4, #5, #6, #8, #9, #11 Encourage ABM's and AID's partners to be aware of and to work towards having processes in place to address assessment and mitigation of risks of terrorism financing and money laundering, and personnel screening, via training, discussions, MOUs, funding agreements, project appraisals, financial audits and partner monitoring visits.	Annually (for funding agreements, partner monitoring and organisational audits) Every three years for project audits (where projects have a value of more than \$50,000 in any one year) Whenever new project proposals are received (project appraisals)
AID Staff	#3, #7 Engage with partners to ensure they are trained in relevant aspects of this policy	At least every three years, or when changes are made to this policy or to Australian law
Programs Finance & Governance Support Officer	#10 Depending on risk level, conduct initial and then six-monthly or annual checking of ABM, AID, partner and contractor organisations, their personnel and suppliers against all	

	required proscribed lists of terrorists.	
Policy Review Sub-Committee/Compliance Officer	Review this policy. Ensure ongoing compliance of the policy with ACFID	By 2027. Ongoing
	Code of Conduct, DFAT requirements and Australian law.	