

MAA INTERNATIONAL

COUNTER TERRORISM FINANCING POLICY



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TABLE OF CONTENTS

1	Introduction	3
1.1	Purpose	3
1.2	Policy Scope	4
1.3	Roles and Responsibilities.....	5
1.4	Definitions.....	5
2	Policy & Procedures	7
2.1	Policy Statement	7
2.2	Guiding Principles	7
2.3	GOVERNANCE	8
2.4	Reporting.....	8
3	Revision History	10

1 INTRODUCTION

MAA takes the issues of terrorism, money laundering, corruption, and fraud very seriously. MAA has a zero-tolerance approach to dealing with organisations or individuals who are involved in such unlawful activities.

The rise in global terrorism increases a number of associated risks, including that legitimate public or private funding can be diverted to support terrorist purposes. This can include charitable funds donated through Non-Profit Organizations (NPOs). Although rare, there are cases where NPOs have been used to raise, transfer and divert funds for terrorist purposes. There are a number of ways that terrorists can attempt to divert funds, including by fraudulently posing as legitimate suppliers, companies, NPOs and charities or by infiltrating legitimate enterprises.

Australian law prohibits the financing and support of terrorism, with offences applying under the Criminal Code Act 1995 (Cth) and the Charter of the United Nations Act 1945 (Cth) and associated regulations. Offences can apply regardless of whether the conduct constituting the offence or the result of the conduct occurs within Australia or overseas.

The consequences of becoming involved in terrorist financing are significant, and can include loss of reputation, status and donor confidence. Individuals or organisations, including NPOs, may face criminal penalties if they are found to have provided financial support to a proscribed individual or organisation or terrorist act.

NPO's should identify the specific risks to their organisation and, on that basis, form an opinion on the level of risk (e.g. high, medium or low). In particular, NPO's face a higher risk if they conduct or contribute to aid programs or projects overseas and/or donate funding to other NPOs or projects overseas, and/or work with, or provide funding to other NPOs that conduct programs or projects overseas.

It is important that NPOs regularly review their risks, particularly when there have been significant changes to the focus or scope of their activities.

This document contains MAA's Counter-Terrorism Policy.

1.1 PURPOSE

MAA renounces all forms of terrorism and will never knowingly support, tolerate or encourage terrorism or the activities of those who embrace terrorism and will make every effort to ensure that its resources are not used to facilitate terrorist activity.

This policy sets out MAA's response to the risk of dealing with individuals and organisations associated with terrorism and the Australian Government's legislation associated with this.

Relevant legislation can be found in:

- Part 5.3 of the Criminal Code Act 1995 ('the Criminal Code'); and
- Part 4 of the Charter of United Nations Act 1945 ('the UN Charter Act')

Failure to comply with Government requirements could significant impact the reputation of MAA as well as expose the organisation to potential penalties.

1.2 POLICY SCOPE

MAA understands that terrorists use many means to finance their operations. This includes legitimate means, such as charities and donations, or illegitimate means, such as fraud, money-laundering, kidnapping for ransom and extortion. MAA also agrees with DFAT that ‘it can be difficult to detect terrorism financing because it is covert in nature.

MAA is committed to endeavour to prevent any financing to terrorism as it is committed to carry on its core business operations of alleviating poverty, helping the poor and the needy, and saving the lives of vulnerable people in situations of emergency.

To achieve the both above-mentioned goals, MAA adopts the DFAT proportionate approach in its due-diligence practices. The proportional approach means to undertake ‘reasonable efforts that are defined within an adequate risk management framework’. The world-class risk management framework presented in this document represent the basis of the MAA proportionate approach to counter Terrorism Financing.

Due diligence is ‘the check that is done before entering into an agreement’, while Precautions is primarily about ‘the ongoing management of risks throughout the lifespan of any activity’.

To that end, MAA undertakes the following activities/steps: -

- 1- Categorising the Field-Partners and/or countries where MAA implements its aid programmes into two categories, namely, High Risk and Low Risk. The level of due-diligence is proportionate to each category.
- 2- Categorising subareas into the same two categories, where the subarea has a different categorisation that the main area.
- 3- Including in our funding agreements clauses to clarify MAA’s and the Field-Partners’, Suppliers’ and subcontractors’ obligations that better fulfils the intent of the legislative settings.
- 4- Undertaking pre-checks of all field-partners against the Listed Terrorist Organisations and the DFAT Consolidated List, i.e. the ‘Proscribed Lists’. Also undertaking the same checks against the subcontractors, suppliers, sub-recipients, and field-partner directors in high-risk countries. All the results are kept in MAA’s project/field-partner folders.
- 5- DFAT recommends checking Open Source intelligence (OSINT), such as the internet, social media and other screening tools.
- 6- Undertaking pre-checks for all MAA staff and volunteers. DFAT stated ‘For tier 1 countries, we would like your organisation to ensure all sub-recipients’ employees and volunteers are crosschecked against the proscribed lists, and use OSINT to inform decisions.’
- 7- Paying to close matches of names if they have the same date and place of birth.
- 8- Keeping log of all decisions made in blocking or removing the block of any partners or individuals.
- 9- In addition to the due-diligence checks that MAA conducts at the beginning with every new Field-Partner, Supplier and Subcontractors, MAA also conducts bi-annual checks against DFAT’s proscribed list for Tier-1 countries.

10- MAA does not screen beneficiaries as it is extremely impractical to do so. However, in very particular situations when MAA would check a list of beneficiaries if valid concerns were brought to the attention of MAA.

1.3 ROLES AND RESPONSIBILITIES

The following outlines MAA's responsibilities with regards to counter-terrorism risk:

1. MAA has a zero-tolerance approach to dealing with organisations or individuals who are involved in such unlawful activities;
2. MAA acknowledges that Australian Government legislation prohibits dealing with listed terrorist organizations and/or proscribed persons or entities. MAA undertakes due diligence checks in relevant databases provided by relevant government agencies to ensure MAA does not deal with such proscribed persons or organisations.
3. MAA will confirm the identity, credentials and good standing of the people or organizations it supports and will check that these people or organizations are not proscribed on the lists maintained by the Australian Government.
4. MAA will not knowingly remit any funds to known or suspected terrorist organizations or individuals.
5. MAA will report any known or suspected terrorist links to the relevant national authority.
6. MAA will use its best endeavours to ensure that overseas recipients of MAA's funds will adopt policies and procedures that enable them to comply with relevant Australian counter-terrorism laws.

1.4 DEFINITIONS

The following terms are used in this policy document and are defined as follows:

- **ACFID:** Australian Council for International Development
- **DFAT:** The Department of Foreign Affairs and Trade
- **Government:** The Australian Government
- **Laws:** means any relevant Australian laws, foreign laws, regulations and conventions designed and targeting terrorist cells and terrorism. [In Australia those Laws include but are not limited to, Commonwealth Criminal Code Act 1995, the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth)]
- **LinkMatchLite:** The LinkMatchLite (LML) software is designed to assist asset holders in finding possible matches between their clients' names and names on the Consolidated List.
- **Lists:** means Department of Foreign Affairs and Trade, Government List and National Security lists regarding potential terrorist threats.
- **NPO:** Non-Profit Organisations
- **Proscribed List:** The government can list an organisation as a terrorist organisation if the Attorney- General is satisfied that it is engaged in preparing, planning, assisting or fostering the doing of a terrorist act or advocates the doing of a terrorist act.
- **Terror Act:** an act, or a threat to act, that meets both these criteria:

- (a) it intends to coerce or influence the public or any government by intimidation to advance a political, religious or ideological cause.
- (b) it 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 of safety of the public, serious interference with, disruption to, or destruction of critical infrastructure such as a telecommunications or electricity network.
- **Terrorism:** means the unlawful use or threatened use of force or violence by a person or an organization against people or property with the intention of intimidating or coercing societies, often for ideological or political reasons.

2 POLICY & PROCEDURES

2.1 POLICY STATEMENT

Terrorism is defined as the unlawful use or threatened use of force or violence by a person or an organisation against people or property with the intention of intimidating or coercing societies, often for ideological or political reasons.

MAA does not permit nor allow any form of terrorism or facilitation of terrorism of any proscribed entity, either through the activity of MAA itself, or any of its associated offices, partners, donors or associates.

MAA shall carry out all its responsibilities under the counter-terrorism laws promptly, thoroughly and accurately.

2.2 GUIDING PRINCIPLES

MAA believes that any form of terrorism is unacceptable and will not be tolerated. The following statements guide MAA's Counter-Terrorism Policy: -

1. The Australian Government can list an organisation as a terrorist organisation if it advocates terrorism or engages in preparing, planning, assisting or fostering the doing of a terrorist act.
2. Financing terrorism involves the intentional collection or provision of funds (including on behalf of another person) and recklessness as to whether the funds will be used to facilitate or engage in a terrorist act.
3. 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.
4. Providing support to a terrorist organisation means any support or resources that are intentionally provided to help the organisation prepare, plan, assist in or foster the doing of a terrorist act.
5. Prior to funding any organisation, details of funded entities and their office bearers will be compared to Australian Government lists of terrorist and proscribed organisations.
6. MAA recognizes its duty to report any known or suspected terrorist links to the relevant national authority.
7. Adherence to this CTP is a mandatory requirement for all staff and partner organisations.
8. MAA will ensure that all staff and relevant stakeholders are made aware of the CTP and their responsibilities.

2.3 GOVERNANCE

While fully respecting individual privacy rights, MAA shall maintain records of identifying information for the members of the governing boards of any subsidiaries or affiliates that are in receipt of funds. To the extent possible, MAA will conduct screening against the DFAT, Attorney General's Department, UN and US Treasury sanction lists to ensure that the members of the governing boards are not among the proscribed entities. The screening will take place utilizing the LinkMatchLite software obtained from DFAT.

While fully respecting the individual privacy rights, MAA shall maintain records of identifying information for key employees working abroad on behalf of MAA. To the extent possible, MAA shall screen against the DFAT, Attorney General's Department, UN and US Treasury sanction list, to ensure that the key employees are not members of the proscribed entities. The screening will take place utilizing the LinkMatchLite software obtained from DFAT.

2.4 REPORTING

If MAA becomes aware, whether personally or through a third-party complaint, of any connection or allegation of a connection to terrorism or a proscribed entity of any program funded by MAA, the person shall promptly report the complaint to the CEO, **in-case of complaint against CEO allegation should be reported to Chairperson** or to any other senior staff member.

In the event of any substantive concerns about any aspect of MAA's operations, or that of any of MAA's funded programs, in relation to anti-terrorism legislation, the **CEO (if against CEO, report directly to Chairperson)** shall inform the Board as soon as possible. Upon receipt of such a report, the Board may seek legal advice regarding its position and any legal obligation it may have to report the results of the review, including any recommendation to voluntarily disclose the information to the Australian Federal Police or Attorney General's Department and any other relevant government body or agency that has authority over anti-terrorism legislation in that jurisdiction.

MAA standardise reporting across all organisations operating in tier 1 countries, given grantees and contractors are equally required to observe Australian laws. This includes, for example, ensuring all organisations complete a standard template provided by us when checking the proscribed lists. The following needs to be kept as a standard:

- a list of MAA's employees and volunteers;
- a list of MAA's sub-recipients, subcontractors and suppliers;
- evidence of a risk assessment or a fraud risk assessment, whichever is more relevant;
- information on the types of controls used to manage the risks; and
- evidence of capacity building activities, such as counter terrorism training for employees and volunteers.
- Any Instance of allegations could be reported to MAA via following communication mediums;
 - compliance@maainternational.org.au
 - +61 (2) 8016 9500
 - PO BOX 395 Bankstown, NSW, 2200

3 REVISION HISTORY

Date of this release: 11 August 2015	Date of next revision: 01 FEB 2022
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Revision Number	Revision Date	Summary of Changes	Changes Marked?
1.0	06 August 2012	Policy Written	N
2.0	11 August 2015	Update with new logo and minor enhancements.	N
3.0	17 May 2017	New sections incorporated and further details included	N
3.1	1 st of Feb 2021	Including responsible persons Chairperson and adding communication medium	Y