



COUNTER-TERRORISM POLICY

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Review History Table

A Liquid Future's Counter-Terrorism Policy will be reviewed annually. Some circumstances may trigger an early review, this includes but is not limited to legislative changes, organisational changes, incident outcomes and other matters deemed appropriate by the Board and/or Chief Executive Officer. A Liquid Future retains records to document each review undertaken. Records may include minutes of meetings and documentation of changes to policies and procedures that result from a review.

Revised on	Version	Date Endorsed	Approved by	Content reviewed/ Purpose
28/01/2023	1	14/12/2019	ALF Board	Policy Revised
	2	02/02/2023	ALF Board	Policy Revised

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1. Introduction

As a humanitarian and development organisation A Liquid Future 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.

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.

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

As A Liquid Future 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 human capacity building and development projects overseas;
- Working with NPOs with a range of organizational capacity;
- Remote management and monitoring;

2. Statement

As a human capacity building and development organisation, A Liquid Future 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. A Liquid Future also has a duty to ensure our funds and resources are used for their intended purposes, 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, A Liquid Future 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 applies to all directors, employees, partners, volunteers, contractors and consultants in relation to their work with/for A Liquid Future.

This policy commits A Liquid Future 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.

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.

A Liquid Future 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 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.

This policy commits A Liquid Future to complying with Australian laws and ensuring our partners, sub-contractors 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.

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

- 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;
- 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. A Liquid Future's Policy Objectives

The objective of this Policy is to ensure A Liquid Future staff and partners strictly abide by all legal requirements pertaining to support of individuals and organisations associated with terrorism. In doing so, A Liquid Future 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 A Liquid Future are misused to support the actions of individuals and organisations associated with terrorism.

6. A Liquid Future's Approach

A Liquid Future holds a zero-tolerance approach to terrorism. Accordingly, A Liquid Future 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 A Liquid Future partner, a staff member of an A Liquid Future partner, or a sub-contractor of an A Liquid Future partner has been found to have engaged in support of a terrorist organisation, A Liquid Future will immediately cease any further transfer of funds to that partner and notify the Australian Government as required under Australian law. If an A Liquid Future partner, a staff member of an A Liquid Future partner, or a sub-contractor of an A Liquid Future partner, is listed as a terrorist organisation or appears on the Consolidated List or the List of Terrorist Organisations, A Liquid Future 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, A Liquid Future 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. A Liquid Future 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, A Liquid Future 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, A Liquid Future 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 our main partner for over seven years and personally know and have worked with all the staff. For our other current partners, our board is personally acquainted and have worked with their CEOs, lead project manager or implementing staff.
- All funded partners agree to participate in counter-terrorism screening procedures and to our transparency and accountability requirements.
- A Liquid Future 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.

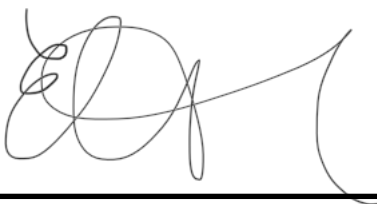
(iv) Using Third Parties

- 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.

7. Reporting, review and relevance to other A Liquid Future guidelines and policies

Any reports regarding terrorism within A Liquid Future should be carried out following the process outlined in A Liquid Future's Complaints Policy.

This policy should be reviewed annually, and annual summaries of counter-terrorism checks and processes made available to the A Liquid Future's Chief Executive Director. This policy supports A Liquid Future's policies including: A Liquid Future's vision, mission and values, A Liquid Future's Code of Conduct, A Liquid Future's Risk Management Policy, AfP's Risk Management Framework.



Elizabeth Grace Murray
(CEO)



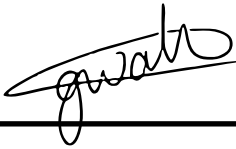
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