



Prevention of Terrorism Resourcing Policy

Details

Policy & Procedure Owner	CEO Office	
Approved by	ERF Board of Directors	
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Abbreviations

ACFID	Australian Council for International Development
ANGO	Australian Non-Governmental Organisation
DFAT	Department of Foreign Affairs and Trade
ERF	Edmund Rice Foundation

Definitions

ACFID Member	A not-for-profit organisation that has obtained membership with ACFID and is a signatory to the ACFID Code of Conduct
Board Members	Voluntary members of ERF's Board of Directors who are responsible for the governance and strategic oversight of the organisation
Donor	Members of the public, including individuals or organisations, who contribute financially or in-kind to ERF's Programs or operations
Partner	Any organisation that has entered into a Memorandum of Understanding (MoU) or contract with ERF
Primary Stakeholder (Beneficiary)	Children and adults who directly participate in and are impacted by ERF-supported Programs or Projects
Program	An overarching development or humanitarian initiative that sets strategic priorities and guides the outcomes, results, and activities of one or more Projects. Programs may comprise ministries or entities
Project	A defined set of development or humanitarian activities implemented within the framework of a Program
Staff	Individuals formally engaged by ERF on a paid basis, working under ERF's direct supervision and subject to its policies and procedures, including employees, apprentices, trainees, and work experience students
Stakeholder	Any individual, group or organisation that has an interest in, is affected by, or has the ability to influence ERF's operations, Programs or Partnerships. This includes, but is not limited to, ERF Staff, contractors, volunteers, Board Members, implementing Partners, suppliers, Program beneficiaries, and relevant governmental or international actors
Third Parties	Individuals or entities who perform work for, or have access to, ERF funds, resources, or Programs but are not formally employed by ERF, including contractors, subcontractors, consultants, suppliers, implementing Partners, and any other person or entity entrusted with ERF funds or assets

Volunteers	Individuals who freely offer their time and services to ERF on an unpaid basis, who work under ERF's direct supervision and are subject to its policies and procedures
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1.0 Introduction

This Policy articulates Edmund Rice Foundations' (ERF) commitment to preventing any involvement in terrorism and its associated criminal activities, including but not limited to terrorist acts, terrorist act offences, terrorist financing and money laundering, in compliance with Australian counter-terrorism legislation, including the [Criminal Code Act 1995 \(Cth\)](#) and the [Charter of the United Nations Act 1945 \(Cth\)](#).

ERF will take all reasonable steps to ensure that its funds, resources, partnerships, and activities are not used, directly or indirectly, to support terrorism. ERF will not engage with, fund, or otherwise support any individual or organisation associated with terrorism, including those listed on [Australia's Listed Terrorist Organisations](#), the Department of Foreign Affairs and Trade (DFAT) [Consolidated List](#), or other relevant sanctions lists. This Policy establishes the safeguards that ERF has put in place to give effect to these commitments.

2.0 Definitions

ERF relies on and applies the official legal definitions used by the Australian Government as set out in the *Criminal Code Act 1995 (Cth)*. Key terms used in this Policy include the following:

Counter-Terrorism

Counter-Terrorism refers to measures, strategies and actions taken to prevent, detect, respond to, and disrupt terrorism and activities associated with terrorism.

Money Laundering

Money Laundering refers to 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.

Terrorist Act

A Terrorist Act is an act, or a threat to commit an act, carried out with the intention of advancing a political, religious, or ideological cause by coercing, intimidating, or influencing the public or any government. A Terrorist Act includes conduct that causes or is intended to cause:

- death, serious harm or danger to a person;
- serious damage to property;
- a serious risk to the health or safety of the public; or
- serious disruption, interference, or destruction of critical infrastructure, including telecommunications, electricity or other essential services.

This definition does not include lawful advocacy, protest, dissent, or industrial action, where there is no intention to use force or violence or to cause harm to others. Under the *Criminal Code Act 1995 (Cth)*, a person found guilty of committing a Terrorist Act may face penalties of up to life imprisonment.

Terrorist Act Offence

A Terrorist Act Offence is any criminal offence that involves committing, planning, preparing, facilitating, or supporting a Terrorist Act. A person may be convicted of a Terrorist Act Offence if they intend to commit one of these offences, or are reckless as to whether their actions would amount to a Terrorist Act. This includes but is not limited to offences such as:

- committing a Terrorist Act;
- planning or preparing for a Terrorist Act;
- financing terrorism or a terrorist;
- providing or receiving training connected with Terrorist Acts;
- possessing things connected with Terrorist Acts; and/or
- collecting or making documents likely to facilitate Terrorist Acts.

A person may be found guilty of a Terrorist Act Offence even if the Terrorist Act itself does not occur. For example, someone who intentionally plans or prepares a Terrorist Act, but does not carry it out, may still be convicted.

Terrorism Financing

Terrorism Financing occurs when a person intentionally provides, collects, or makes funds or resources available, or is reckless or negligent as to whether those funds might be used, directly or indirectly, to facilitate a Terrorist Act. This includes any financial or material support that could assist a Terrorist Act, whether or not the act actually occurs.

3.0 Legal and regulatory framework

The Australian Government has extensive legislation governing Counter-Terrorism. Terrorism is against the law, undermines Australia's national interests, and threatens sustainable development. ERF is committed to the implementation of best practice principles to ensure that its activities are conducted in compliance with these laws and associated obligations. Failure to comply with Government requirements could significantly impact the reputation of ERF and expose the organisation to potential legal and regulatory penalties.

3.1 Australian Government legislation and guidelines

ERF adheres to the following primary legislative and regulatory instruments:

- *Criminal Code Act 1995* (Cth) - Part 5.3 (Terrorism) which defines Terrorist Acts, Terrorist Act Offences, and related criminal conduct ;
- *Charter of United Nations Act 1945* (Cth) - International Obligations Implemented in Australia;
- [Charter of the United Nations \(Dealing with Assets\) Regulations 2008](#) (Cth): Regulations governing the freezing, monitoring, and management of assets linked to Terrorist Activity;
- [Australia's Counter-Terrorism Laws](#);
- [Australian Human Rights Commission: A Human Rights Guide To Australia's Counter-Terrorism Laws \(2008\)](#) (please note this guide reflects legislative framework as at 2008 and should be read alongside subsequent amendments);
- [Safeguarding your organization against terrorism financing: A guidance for non-profit organisations](#) (Australian Government, Department of Home Affairs, 2009);
- Australian Government, Department of Home Affairs, [Listed Terrorist Organisations](#);
- Department of Foreign Affairs & Trade - [Consolidated List](#) (Australian Government); and
- Australian Government, DFAT, *Australian NGO Accreditation Guidance Manual* (current version), Counter-Terrorism and Sanctions Compliance Criterion.

3.2 United Nations guidelines

- United Nations Security Council, [Resolution 1373 \(2001\)](#), concerning measures to combat terrorism financing and associated criminal activity.

Offences under the *Criminal Code Act 1995* (Cth) and the Charter for the *United Nations Act 1945* (Cth) carry severe penalties, including life imprisonment, and apply extraterritorially to conduct both within Australia and overseas.

4.0 Policy statement and principles

ERF acknowledges that Australian Government legislation prohibits dealing with listed terrorist organisations and/or proscribed persons and/or entities. ERF acknowledges its obligations under these laws and therefore will exercise all reasonable care and make every reasonable effort to ensure that its funds and program activities are not misused to further terrorism or support Terrorist Activities.

ERF will:

- conduct due diligence to verify the identity, credentials and good standing of all individuals and/or organisations it supports and/or engages, including Board Members, Staff, Implementing Partners, and Third Parties, and will check that these people and/or organisations are not on any proscribed lists maintained by the Australian Government or the World Bank;
- not knowingly remit any funds to any individual or organisation known or suspected to be involved in terrorism;
- report any known or suspected links to terrorism to the relevant national authority;
- ensure that overseas partners are aware of ERF's Counter-Terrorism obligations and that these obligations are reflected in its contractual agreements. The policies and procedures of in-country Partners must enable ERF to comply with relevant Australian Counter-Terrorism legislation; and
- provide training to Staff to ensure they are knowledgeable about Counter-Terrorism compliance, risk identification, and reporting procedures.

5.0 Roles and responsibilities

This Policy outlines the responsibilities of ERF's internal Stakeholders, including Staff and overseas implementing Partners. It specifies the roles and responsibilities of relevant ERF Staff positions, including the CEO, Programs & Impact Director, and Executive Assistant, as well as those of specific implementing Partner positions, including Program Manager.

5.1 Responsibilities of ERF Board

The responsibilities of the ERF Board are as follows:

- comply with Australian Counter-Terrorism legislation to avoid dealing with individuals and organisations associated with terrorism and associated criminal activities; and
- review this Policy every three years.

5.2 Responsibilities of ERF Staff

The responsibilities of Staff are as follows:

- sign ERF's Code of Conduct. The Code of Conduct outlines expectations of Staff conduct. Compliance with this Policy is one of several policy standards incorporated into the document; and
- immediately notify ERF's Programs & Impact Director and CEO of any confirmed or suspected cases of a Terrorist Act, a Terrorist Act Offence, Terrorism Financing or Money Laundering linked with their organisation.

5.3 Responsibilities of the ERF Programs & Impact Director

The responsibilities of the ERF Programs & Impact Director include those of all ERF Staff outlined above a 5.2 as well as the following:

- investigate the credibility of potential matches from Australian Government proscribed lists;
- consult ERF's Complaints Handling Policy to inform the triage, risk assessment and response process of confirmed or alleged cases of terrorism and associated criminal activity;
- call the Australian Security Hotline when a confirmed or alleged case of terrorism or associated terrorism activity is deemed credible; and
- report suspected or known terrorism links to relevant national authorities.

5.4 The Responsibilities of the ERF Executive Assistant

The responsibilities of the Executive Assistant include those of all ERF Staff outlined above at 5.2 as well as the utilising the relevant proscribed lists to conduct a search of:

- ERF Board Members, Staff and Volunteers;

- Project governors, leaders and key finance management personnel of Partners who have submitted International Partnership and Funding Applications;
- newly-appointed Project governors, leaders and key finance management personnel of ERF or its implementing Partner Projects every three months, in accordance with Partners' submission of Quarterly Acquittal Reports;
- Project governors, leaders and key finance management personnel of sub-contractors who have submitted Capital Funding Applications;
- Suppliers, contractors, consultants or other Third Parties who ERF engages in Australia; and
- immediately report to the Programs & Impact Director any matches found in proscribed list checks.

5.5 Responsibilities of Partners

The responsibilities of Partners are as follows:

- to agree, through contractual arrangements, to comply with this Prevention of Terrorism Resourcing Policy; and
- to immediately notify their Program Manager of any confirmed or alleged cases of a Terrorist Act, a Terrorist Act offence, terrorism financing or Money Laundering associated with their Program.

The responsibilities of a Partner Program's Program Manager are as follows:

- consult their Program's Complaints Handling Policy to guide the triage, risk assessment, and response process of confirmed or alleged cases of terrorism and associated criminal activity;
- in accordance with the Program's Complaints Handling Policy, report all lodged complaints concerning credible cases of terrorism or related criminal activity to the CEO and Programs & Impact Director within 24 hours;
- contact the police or an in-country national security hotline when a confirmed or alleged case of terrorism or associated terrorism activity is deemed credible;
- inform ERF of any newly recruited governors, Project leaders and key finance management personnel in quarterly reports; and
- comply with ERF's ongoing monitoring and evaluation requirements relating to counter-terrorism.

6.0 Risk management

ERF is committed to ensuring that its funds, resources, and activities are not used to support or facilitate terrorism or terrorist organisations. ERF implements the following measures to mitigate Counter-Terrorism risks and ensure compliance with relevant Australian legislation and regulatory requirements:

- conduct due diligence screening of relevant stakeholders, including Board Members, Staff, Implementing Partners and Third Parties against Australian Government proscribed lists;
- communicating policy requirements to implementing Partners and codifying compliance requirements in contractual agreements;
- require Implementing Partners and funding applicants to identify and address terrorism-related risks within their organisational Risk Management Framework;
- performing quarterly monitoring checks of newly engaged Staff and implementing Partners against Australian Government proscribed lists;
- performing annual monitoring checks of Board Members, Staff and implementing Partners against Australian Government proscribed lists;
- immediate reporting of known or suspected Terrorist Activity to the Australian Security Hotline; and
- withdrawing funding and terminating support to Projects or Partners where there are

reasonable grounds to suspect involvement in terrorism-related activities, financial misconduct, or other serious criminal conduct.

6.1 Partner obligations

All of ERF's Partners will be made aware of this Policy and of ERF's obligations under Australian law. Partners receiving funding from ERF are required to implement comparable measures to ensure that funds are not used to support Terrorist Activity. Funding agreements will include wording that requires recipient organisations to adopt policies and procedures consistent with Australian Government requirements.

6.2 Project and country-level risk assessments

Project design documents must include a Counter-Terrorism risk assessment. This assessment should identify potential terrorism-related risks specific to the Project's context, considering factors such as the political, financial, and security environment in which the Project operates. The assessment should also evaluate the governance and financial controls of implementing Partners to ensure that ERF's funds or resources are not misused to support terrorism, either directly or indirectly. ERF also conducts country-level terrorism financing risk assessments for all Programs and activities. This assessment considers the broader political, financial, and security landscape of the country, and evaluates the nature of Program activities, governance structures, and financial controls of implementing Partners. The purpose of these assessments is to proactively identify any risks that ERF's resources could be misused for terrorism financing and to ensure that adequate mitigation measures are in place, including due diligence, screening, and reporting procedures.

7.0 Due Diligence and Screening

ERF must verify the identity, credentials and good standing of its Partners and recipient organisations, suppliers, contractors, consultants, and other Third Parties, both in Australia and internationally. This includes understanding the nature of their activities, where they operate, and the identity of their governors, Project leaders, and key finance management personnel. Risk mitigation strategies, focusing on straightforward due diligence and financial tracking, are appropriate to ERF's organisational context and compliance requirements.

ERF uses two proscribed lists to undertake screening:

- the DFAT Consolidated List; and
- the World Bank Sanctioned Individuals and Firms List.

These checks are conducted to screen ERF's internal Stakeholders, including Board Members, Staff and Third Parties, as well as external stakeholders, including a Project's governors, Project Leaders, key finance management personnel and Project Staff.

For internal stakeholders, screening checks are conducted before entering into an agreement of employment, governance or short-term work. For external stakeholders, these searches are conducted at the start of the Project cycle in January. Screens must be checked prior to signing a Memorandum of Understanding ('MoU') or funding agreement with Partners. A potential Partner must provide the names of all governors, Project leaders and key finance management personnel to ERF with all Project Funding Applications and Capital Funding Applications. This includes applications for any sub-contractors of capital works. Any changes to these listings must be provided to ERF in Quarterly Acquittal Reports. The section 'Personnel Changes' in ERF's Quarterly Report asks Partners to list the names of departed and newly hired Staff during the period. New personnel are screened against these lists as required during quarterly assessment periods.

7.1 List currency

As proscribed lists are continuously updated, ERF ensures that the most recent versions of these lists are downloaded and used each time screening checks are conducted.

7.2 Consolidated List

The DFAT Consolidated List is maintained by the Australian Sanctions Office within the Department of Foreign Affairs and Trade. The list contains all persons, vessels and entities who are subject to targeted financial sanctions, travel bans or other restrictive measures under Australian sanctions law. Those listed may be Australian citizens, foreign nationals, or residents in Australia or overseas.

The Consolidated List is a key due diligence tool and can be downloaded from:

<https://www.dfat.gov.au/international-relations/security/sanctions/Pages/consolidated-list>

7.3 World Bank Listing of Ineligible Firms and Individuals

The World Bank Listing of Ineligible Firms and Individuals identifies firms and individuals who are debarred and thus ineligible to participate in World Bank-financed contracts. Although ERF does not have any direct relation to the World Bank, their sanctions list is used as an extra layer of security.

The World Bank Listing of Ineligible Firms and Individuals is publicly available and maintained by the World Bank Group and can be accessed at:

<https://www.worldbank.org/en/projects-operations/procurement/debarred-firms>

8.0 Reporting process

8.1 Internal reporting

ERF Staff, as well as the Staff of implementing Partners, are required to immediately report any information related to confirmed or alleged Terrorist Acts, Terrorist Act offences, Terrorism Financing or Money Laundering to their Program director/manager. This includes the Executive Assistant, who is to immediately inform the Programs & Impact Director when a positive match is found during proscribed list checks. See Section 5.0 for an explanation of the roles and responsibilities of ERF domestic and overseas Stakeholders in reporting confirmed or alleged cases of terrorism and associated criminal activities.

The ERF Programs & Impact Director and the Program Managers of implementing Partners are required to consult their Complaints Handling Policy to inform the triage, risk assessment, and response process for responding to lodged complaints related to terrorism and associated criminal activity. Per the triage process contained within the Complaints Handling Policy of ERF or the implementing Partner, if a case of terrorism or associated criminal activity is deemed credible, the Programs director/manager is to allocate the case a risk level of Extreme. The Programs director/manager is then to immediately call the police or an in-country national security hotline. For ERF, this number is the National Security Hotline on 1800 123 400. The Programs & Impact Director is then to consult the Complaints Handling Policy to complete the remaining Register, Respond and Finalise stages of the Complaints Handling Flowchart.

8.2 External reporting

If a credible case of terrorism is brought to ERF's attention, either through the lodged complaint of a Stakeholder, or internal detection of a credible match on a proscribed list, the Australian Security Hotline will be contacted immediately. The Board will be advised immediately. Depending on the response of Australian security officials, support to the relevant Program, including funding, will be suspended until a full investigation is conducted by relevant authorities and outcomes determined (see Section 9.0).

8.3 Regular Governance reporting

To support effective governance and oversight, ERF will provide regular reports on the implementation of this Policy and related Counter-Terrorism compliance measures to its Board of Directors. These reports will assist the Board to monitor risk management practices, ensure accountability, and confirm that appropriate safeguards are in place to prevent ERF funds, resources,

and activities from being misused to support terrorism or related criminal activities.

ERF's regular reports to the Board outline:

- confirmation that sanctions and prohibited list screening has been conducted for Staff, Partners and Third Parties;
- updates on due diligence undertaken for any new implementing Partners;
- confirmation that Partner agreements include Counter-Terrorism clauses;
- any identified risks, incidents, or compliance concerns; and
- implemented actions taken to mitigate or manage identified risks.

9.0 Investigation process

If a superficial match is displayed between a proscribed name and one of ERF's Stakeholders, the credibility of the match will be investigated. This includes comparing data of the proscribed person, including their name, location, birthplace and criminal history, against the circumstances of the Stakeholder. Identity documents of the relevant Stakeholder will also be obtained. If there are no plausible connections between the identity documents of the ERF Stakeholder and the data of the proscribed name, this is considered grounds for the case to be dismissed and the investigation closed.

10.0 Financial risk

10.1 Transfer of funds

In the transfer of funds overseas, ERF will use only reputable banks and financial institutions. For cases where the risk of terrorism financing is higher, ERF will consider operating in cash rather than electronic funds transfer. However, operating in cash is considered an excessive measure. For contexts where the risk of inadvertent terrorism financing is higher, ERF undertakes additional due diligence processes to analyse and treat the risk.

10.2 Financial auditing

Implementing partners receiving funding from ERF will be required to provide a detailed Financial Report on a quarterly basis. This includes:

- budget vs actual for the three-month period utilising a reporting template;
- extract of trial balance sheet;
- extract of general journals/ledgers; and
- quarterly management accounts.

At the end of annual funding cycle, full financial reports must be accompanied by an Independent Auditor's Report and Auditor's Management Letter, certifying that the Program Finance Report is a true and fair view of the income and expenditure of the Program. The independent auditor must be accredited in-country and must not be an employee of or be related to Program staff.

11.0 Remediation process

ERF will immediately cease forwarding funds if it has reason to believe a Partner has breached the requirements of this Policy or is found to be on any proscribed lists of entities and individuals.

12.0 Staff training on Anti-Terrorism compliance

ERF is committed to ensuring that Staff and Partners are adequately trained to comply with anti-terrorism laws, regulations, and the organisation's internal policies. This training is to equip Staff with the necessary knowledge and skills to recognise, prevent and report any potential terrorism-related activities, and to contribute to the effective implementation of ERF's Counter-Terrorism obligations.

Key elements of ERF's commitment to Staff training include:

- risk assessment procedures, identification, and reporting procedures;
- the understanding of key indicators of terrorism-related risks in the context of ERF's

- operations and Partnerships; and
- the correct processes for reporting and documenting any anti-terrorism compliance issues.

These education and training measures are in place to promote Staff awareness and ensure ERF's compliance with anti-terrorism legislation and relevant standards. ERF will maintain accurate records of all Staff training.

13.0 Documentation of screening and risk assessments

ERF is committed to maintaining thorough reporting and documentation of all screenings and risk assessments, ensuring that all compliance activities are accurately recorded and readily accessible to meet legal and organisational requirements.

14.0 Related ERF Policies and Documents

14.1 Related policies

- Anti-Corruption & Anti-Fraud Policy
- Complaints Handling Policy
- Project Design Funding & Management Policy
- Whistleblowing Policy

14.2 Related documents

- ERF Program Funding Application
- ERF Quarterly Report

ERF policies and processes are regularly updated. For the most up to date policies refer to ERF's website at www.erf.org.au/policies.

Complaints handling flowchart

