

# Mahboba's Promise Counter-Terrorism, Fraud and Anti-Money Laundering Policy

## 1. Why This Matters

Terrorism has fundamentally changed the land, people and nation of Afghanistan. In 2021 Afghanistan saw the return of the Taliban to rule the country. The Taliban remain a listed terrorist organisation. Their ideologies and practices continue to compound the humanitarian need in the country, with at least 80 percent of Afghanistan's people experiencing displacement because of Taliban state sponsored violence.

Terrorism has a direct impact on reducing the rights, freedoms and security of women and children. Mahboba's Promise denounces terrorism in all its forms, alongside any individuals or groups that engage in activities and actions which can be interpreted as terrorism. Mahboba's Promise is committed to ensure that no funds or resources support terrorist activities, either directly or indirectly. Mahboba's Promise also aims to deliver as many funds as possible to those who need it the most by preventing fraud or money laundering.

## 2. Purpose

Mahboba's Promise is committed to assisting the disadvantaged and at-risk women and children of Afghanistan. This policy enables our people and partners to achieve this, by taking a risk-based approach to mitigating risks and comply with relevant laws relating to the prevention of fraud, terrorism financing and money laundering.

Mahboba's Promise receive money from a range of sources, including individual donors, private and public sector donors. We also transfer funds overseas and engage in international financial transactions. This policy ensures our sponsors, donors, partners and people we serve can maintain their trust in our organisation and our people to get the money to where it is needed the most.

## 3. Scope

This policy applies to all Mahboba's Promise associated people in all Australian and international contexts, this includes:

- a) Employees, board members, volunteers, contractors, interns, researchers, work and placements.
- b) Partners.
- c) Vendors and Suppliers.

While this policy does not directly apply to donors, any new donor or sponsorship activity opportunity will be assessed in accordance with Mahboba's Promise legislative requirements and the organisational commitment to prevent fraud, money-laundering and terrorist financing.

#### **4. Statement of Commitment**

Mahboba's Promise understands and is committed to meeting our regulator obligations under international and Australian law that prohibits dealing with known terrorist organisations and/or proscribed persons or entities.

Our risk management, training, financing and recruitment, partnership management and monitoring systems and processes all integrate reasonable efforts that prevent misappropriation or misdirection of resources or funds in ways that support terrorist activities.

#### **5. Zero Tolerance Principle**

In standing and delivering to meet the needs of women and children most impacted by the Taliban in Afghanistan means at times we must work with the government of the day. The Taliban are not a part of Mahboba's Promise program, and robust safeguards are in place to prevent our funds from being used for illicit activity. All financial and transactions exchanging resources are strictly legitimate, tracked, reported and audited.

Mahboba's Promise take a zero-tolerance approach to terrorism, fraud and money laundering as the misuse or misappropriation of funds and resources results in reduced freedoms, choice and protections from those who need it the most.

## 6. Procedures

This policy is embedded across all parts of our organisational systems, processes and ways of working. Everyone has a part to play – whatever their role or position of power and influence. We safeguard our organisation and the people we serve by:

- Ensuring our Board and Executive are informed of terrorist financing and money laundering risks to the organisation, our people and people we serve.
- Making all reasonable efforts to ensure money and resources are not being directed to or received from terrorist related or money laundering activities.
- We ensure our volunteers, employees and board members are checked against the Australian Governments' Prescribed Lists. Where possible, we also conduct checks with our local partner organisations to ensure our people are trusted or unknown to local communities. This check ensures that the people who represent the organisation are not engaged in, or linked with, terrorist activities or are known terrorists.
- Induction of all associated people includes a copy of this policy that must be read and signed in acknowledging understanding and a personal commitment to uphold these procedures and policy commitments.
- A due diligence assessment of each new partner, organisation, vendor, supplier or donor will check relevant policies and protections are in place and have been checked against the Australian Government Prescribed Lists. In high-risk environments, a financial audit will demonstrate that all reasonable and practicable processes are occurring to prevent financial misuse or terrorist financing.
- Scheduled partner health checks (Annex 1) agreed standards, procedures and learning is occurring.
- All contracts and agreements replicate a shared commitment to uphold relevant legislative and regulatory standards and confirm the right to freeze an

agreement and take necessary action if a breach of this commitment or agreed standards are identified.

- Providing adequate training to associated personnel and partners so that they have enough information to know what risks and wrongdoing looks like and when to report it.
- We are committed to understanding and reporting the true cost of Taliban rule in Afghanistan. Our financial leads and partners have open and constructive discussions to find the best risk-based solutions to balance the complex realities of our programs, to safeguard lives, and achieve our organisational mission while preventing financial misuse and terrorist financing.
- Our **Planning, Monitoring, Evaluation and Learning** ensures we assess, then track, report on and check where our money goes and that it was delivered as intended in accordance with terrorist financing, fraud and money laundering risks. Our financial and program quality and performance teams work together to tell an accurate story of impact and learning.
- Any reasonable suspicion of money laundering or terrorism financing activities must be reported immediately to Executive Manager or through the Whistle Blower Policy. Any report must be briefed within 24 hours to the Operations Manager and the Management Committee.
- If credible information of terrorism, money laundering or fraud is identified, funding will cease immediately and the Australian and Afghan Governments will be notified as well as the federal police of both countries.

## 7. Safeguarding and Protection Principles

Mahboba's Promise is committed to building the trust and rapport required to mitigate fear and secrecy that often surrounds high fraud, financial misuse and terrorist financing local contexts. Terrorism often leaves victims and survivors with feelings of uncertainty about the future and fear (real and perceived) of further attacks.

To ensure our money and resources are being used for the intent planned, sometimes we must have conversations with individuals or groups to confirm where money or resources went or who have fallen victim to fraud or money laundering

tactics. This can sometimes result in fear of reporting, because of a fear of recrimination or disadvantage.

To ensure we are embedding care in the way we approach discussing countering terrorism we apply the following principles:

- We take a step back, reflect and consider how terrorism may have impacted the individual or the group you are working with. We consider how our own lived experience might be different.
- We observe how people present, their levels of anxiety and how trauma is communicated through their expressions, words and behaviour. We invite them to express their concerns, feelings or fears with you or someone they trust.
- We educate ourselves on the context of the day and while we are not terrorism or money laundering experts, we are informed enough to answer questions or respond to concerns with accurate and informed information.
- We delegate to someone with more experience, authority or expertise.

## **8. Compliance, Monitoring and Review**

The Management Committee are responsible for overseeing and monitoring organisational strategic risk, including fraud, terrorism and money laundering risk and insurance cover.

The President, with the support of the Operations Manager, is responsible for ensuring the policy:

- Aligns with relevant legislation, government or regulator policy and practice and our organisational values and purpose.
- Financial delegations are appropriate and are reviewed annually, including the requirement for multiple signatories for payments, proper filing, receipt management and acquittals of expenses.
- Is working through annual monitoring and evaluation checks, including annual audit of financial controls and banking security.

- Is reviewed to reflect lessons as we learn or before the scheduled review date, so that we remain effective and trusted by those we serve.

## 9. Definitions

<b>Terrorism</b>	The continued use of violence and threats to intimidate and coerce a population or group of people for political purposes.
<b>Resources:</b>	This can include funds and other assets (such as property) of any kind. This includes things you can touch and see (including documents, computers and phones) and those you might not (such as information or services). This includes bank credits, travellers' checks, bank cheques, money orders, shares, securities, bonds, debt instruments or letters of credit.
<b>Money Laundering:</b>	A process that hides where the money came from to hide illegal payments.
<b>Counterterrorism:</b>	Activities that have a clear goal designed to prevent terrorism.
<b>Prescribed Lists:</b>	Any individual or entity which appears on either of the following lists: "The Consolidated List" of all people or entities subject to financial sections under the United Nations Security Council Regulation 40 under the Charter of the United Nations (Dealing with Assets) Regulation 2008 and the Australian Government Department of Foreign Affairs and Trade and the National Security Australia websites: <a href="https://www.dfat.gov.au/international-relations/security/sanctions/consolidated-list">https://www.dfat.gov.au/international-relations/security/sanctions/consolidated-list</a> and <a href="https://www.nationalsecurity.gov.au/">https://www.nationalsecurity.gov.au/</a>

<b>Fraud:</b>	A deception practiced in order to gain a possession, property or resource or surrender a right through trickery or cheating.
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## 10. Associated Policies

The following policies should be read in conjunction with this policy:

- a. Risk Management Architecture and Framework.
- b. Financial Policy.
- c. Partnerships Policy.
- d. Child Protection Policy.
- e. Prevention of Sexual Exploitation, Abuse and Harassment Policy.
- f. Gender Equality Policy.
- g. Code of Conduct.

## Annex 1 - Partnership Health Checklist



# Partnership Health Checklist

This checklist helps partnership managers honour and advance our partnerships.



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## Health Check

Are our objectives specific, measurable, achievable, results focused and time bound?	<input type="checkbox"/>	How do we know that rights holders have trust in our partnerships? What evidence do we have and how do we monitor this?	<input type="checkbox"/>
Are we accountable? Does our partnership link and report to the right area and senior people?	<input type="checkbox"/>	How do we know that our donors/sponsors have trust in our work? How do we monitor this?	<input type="checkbox"/>
Do we make decisions together?	<input type="checkbox"/>	Are we managing risk together? How are we capturing our shared success in risk management?	<input type="checkbox"/>
Do we know the cost of the partnership, our shared resources and how do we make sure there is mutual benefit/shared purpose?	<input type="checkbox"/>	Do we ensure our capacity or training gaps are known and addressed?	<input type="checkbox"/>
Do we understand and show respect for our differences?	<input type="checkbox"/>	When is the partnership scheduled to end? How are we ready for it?	<input type="checkbox"/>
Do we have the skills to fulfil our objectives?	<input type="checkbox"/>	Does the Board or senior staff need to meet to resolve any outstanding issues or questions?	<input type="checkbox"/>
Are our partnership meetings effective?	<input type="checkbox"/>	How is this partnership communicated and celebrated?	<input type="checkbox"/>
Do we communicate our shared challenges and manage our tasks effectively?	<input type="checkbox"/>		
How have we advanced child safeguarding and protection?	<input type="checkbox"/>		
How have we advanced gender equality?	<input type="checkbox"/>		



**Complete**

Signed by Manager:

Date:



Document Control	
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