

Interplast Australia & New Zealand

Counter Terrorism and Anti Money Laundering Policy

Policy Status:
Approved

Initial CEO Endorsement: 01 September 2006
Board Approval Date: 10 October 2023
Last Review Date: 28 September 2023
Future Review Date: 01 October 2025
Frequency of Review: 2 years
Policy Owner: Head of Finance

Revisions to Policy

Significant Changes	Endorsed by CEO	Approved by Interplast Board
Initially Approved		01 September 2006
Minor changes	10 October 2012	16 October 2012
Minor grammatical, spelling and wording changes. Changed from 'Senior' Program Activities Coordinator to 'designated' Program Activities Coordinator	9 October 2013	15 October 2013
Minor grammatical, spelling and wording changes including changing 'AusAID' to DFAT.	4 June 2013	17 June 2014
Minor wording changes	20 April 2015	12 May 2015
Minor wording changes relating to staff responsibility for the policy	28 April 2016	10 May 2016
Replacement of 'DFAT' with the Attorney General's Department's regarding the Safeguarding your organisation against terrorism financing: A guidance for non-profit organisations document Inclusion of reference to Australian Criminal Code Act of 1995	4 May 2017	16 May 2017
Minor additions within Policy in Practice	9 May 2018	15 May 2018
Significant changes to process relating to counter-terrorism screening, plus addition of anti-money laundering focus (including change of policy name)	24 April 2019	30 April 2019
Updated to reflect new template and new definitions. Separated policy and procedure. Complete review of process	28 September 2023	10 October 2023
Minor edits	16 September 2024	

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Section 1: Purpose

The purpose of the Counter Terrorism and Anti-Money Laundering Policy is to outline Interplast Australia & New Zealand's (Interplast) commitment to adhering to all applicable Australian laws and regulations regarding anti-money laundering and counter-terrorism. Interplast recognises the importance of these laws in maintaining the integrity of our organisation and contributing to the broader national security efforts.

The purpose of this policy is to also raise awareness of the potential risk of Interplast being misused by a terrorist organisation; and to outline the policies and procedures that serve to mitigate the risk of inadvertently supporting or engaging in activities related to terrorism.

Section 2: Scope

The Counter Terrorism and Anti-Money Laundering Policy applies to all Interplast personnel, and any individuals or entities engaged in the delivery of Interplast's mission, including but not limited to the following:

- Partner organisations (and their relevant personnel)
- Suppliers
- All program activity participants; and
- Observers accompanying any Interplast activity.

Section 3: Policy

Interplast acknowledges that aid, development and other not for profit organisations may be vulnerable to misuse by individuals or other organisations aiming to finance or support terrorist activity.

Interplast recognises its legal and moral obligations under Australian laws to prevent the misuse of its funds and in-kind donations for terrorism or money laundering activities. We are committed to exercising all reasonable care and effort to ensure that our resources come from legitimate and known sources and that our operations do not inadvertently contribute to terrorism or support terrorist activities.

Interplast has therefore implemented rigorous processes designed to minimise the risk of money laundering, terrorism financing, or support for terrorists and terrorist organisations within our organisation.

These processes encompass various aspects of our operations, including but not limited to:

3.1: Due diligence checks

We will conduct thorough due diligence checks, on all personnel with whom we engage, including employees, consultants, volunteers, partners, and preferred suppliers, to ensure that they meet the necessary ethical and legal standards. In accordance with Interplast's Head Agreement with DFAT, and with guidance from the DFAT Fraud Control Kit, these checks must at a minimum include screening names of individuals or organisations against the following proscribed lists of suspected terrorists or supporters, maintained by the Australian Government:

- **Australian National Security Listed Terrorist Organisations** - contains a list of terrorist organisations that have been formally declared as involved in terrorism under the Criminal Code Act 1995
- **DFAT's Consolidated List** - contains a list of persons or entities that have been sanctioned under United Nations Security Council and Australian autonomous sanctions.

As these lists are not exhaustive, Interplast will complete additional checks against other relevant proscribed terrorist lists as follows:

- The Asian Development Bank's Sanction List
- World Bank Listing of Ineligible Firms and Individuals

The above checks must be completed **PRIOR** to any engagement with Interplast.

Engaging with or providing support to any organisation or individual on these lists is a criminal offense, and Interplast takes this obligation seriously. If any individual or entity associated with Interplast is identified on the Australian Government's Consolidated List or List of Terrorist Organisations, we are committed to taking prompt and effective action. This includes conducting thorough assessments and cooperating fully with relevant authorities to ensure that anti-money laundering and counter-terrorism measures are enforced.

We will also conduct due diligence checks to understand and know the beneficiaries, partners, third parties, donors, supporters, and sources of funding and in-kind donations associated with our organisation.

3.2: Strategy

Interplast is dedicated to integrating our commitment to compliance with anti-terrorism and anti-money laundering regulations into our organisational culture and practices. We have established a comprehensive strategy to ensure that these principles are embedded throughout our operations:

1. Risk Assessment:

Interplast will assess the level of risk associated with terrorism financing and money laundering activities. When such risks are identified, we will take appropriate precautions to mitigate them.

2. Partner Engagement and Due Diligence:

- Interplast will address the issue of anti-terrorism during the development of Memorandums of Understanding (MoUs) and partner agreements. When relevant, specific requirements related to anti-terrorism measures will be outlined in written agreements.
- We exercise careful scrutiny of potential in-country partners to confirm that they have no affiliations with proscribed entities or individuals.
- Risk assessments of financial implementing partners are conducted with reference to the risk ratings provided by the Department of Foreign Affairs and Trade (DFAT) and Transparency International. Higher-risk partners in relation to terrorism financing will undergo screening of their staff and suppliers against the proscribed lists. Alternatively, partners may be required to conduct this screening themselves and provide evidence of compliance.
- If any links to terrorism or money laundering are identified, Interplast will take immediate action, discontinuing partnerships if necessary.
- In cases where funds are provided to a third party, Interplast will take all reasonable measures to ensure that the third party complies with all applicable laws and our anti-terrorism and anti-money laundering requirements.

3. Know Your Customer (KYC) Principles:

- Interplast adheres to Know Your Customer principles to prevent any potential money laundering incidents. This process involves verifying the identity of donors and beneficiaries to assess their suitability, while also assessing the risk of illegal intentions towards the partnership.
- We ensure that funds received by or provided by Interplast are not used for the purpose of laundering illegal funds.

4. Pre-Appraisal Screening Process:

- Our pre-appraisal process includes manual checks against proscribed terrorist lists (see 3.1: Due Diligence Checks) prior to any engagement with Interplast, to identify any affiliations with terrorist activities. These checks are integral to our due diligence process and help ensure that prospective parties are free from connections to terrorism or known terrorist entities.
- If any links to terrorism are identified, Interplast will immediately cease working with the identified partner or potential partner, and report to the appropriate authorities.

5. Regular Screening Against Proscribed Lists:

Interplast also conducts regular periodic checks on all relevant personnel, suppliers, and partners against the proscribed terrorist lists (see 3.1: Due Diligence Checks). This ongoing screening is a crucial part of our risk mitigation efforts.

6. Monitoring and Evaluation:

Through monitoring and evaluation processes, including budget oversight and acquittal procedures, both Interplast and our partners ensure that funds are utilized exclusively for approved program activities. This accountability measure helps prevent any diversion of funds for unauthorised purposes.

7. Training and Awareness:

Our employees, volunteers, and partners are provided with periodic training and guidance to raise awareness of anti-money laundering and counter-terrorism regulations and ensure their compliance.

3.3: Monitoring and reporting

Interplast maintains a robust compliance monitoring and reporting system to ensure the strict adherence to anti-terrorism and anti-money laundering policies. We employ various measures to verify that all parties within the scope of this policy do not engage in terrorist activities or have any affiliations with identified terrorists or terrorist organisations, as outlined below:

1. Regular Screening Against Proscribed Lists:

Interplast conducts regular periodic checks on all relevant personnel, suppliers, and partners against the proscribed terrorist lists (see 3.1: Due Diligence Checks). This ongoing, repetitive screening is a crucial part of our risk mitigation efforts.

2. Reporting Suspicious Activities:

- Any Interplast personnel, partner organisations, or external individuals who have a reasonable basis to suspect money laundering or terrorism financing must promptly report the suspected activity to the Chief Executive Officer (CEO)
- Disclosures should be made following the established processes and procedures outlined in Interplast's Whistleblowing Policy or Complaints Policy.

3. Counter-Terrorism Risk Communication:

- Interplast will proactively advise its partners of potential counter-terrorism risks associated with our activities
- We will also provide guidance on appropriate actions to be taken if any such risks are identified during the course of our partnership.

4. Transaction Monitoring:

- Interplast employs robust transaction monitoring systems to identify and report any suspicious financial activities promptly
- Whenever possible, we will conduct financial transactions through regulated reputable financial institutions to ensure transparency and compliance with anti-money laundering regulations
- Interplast employs appropriate internal financial controls and systems which include an approval and delegation process.

Section 4: Monitoring and Review of this Policy

This policy will be monitored and reviewed at intervals as indicated in this policy and following the process outlined in Interplast's Policy Framework.

The Chief Executive Officer is ultimately accountable to the Board for managing and maintaining this policy and is responsible for the implementation of this policy. The Board is responsible for adopting this policy.

The Head of Finance is accountable to the Chief Executive Officer for ensuring the currency of this policy and all supporting procedures and relevant manuals and has responsibility for operationalising the policy.

Where compliance issues are identified, they will be addressed promptly. The Chief Executive Officer is responsible for taking any recommended amendments to this policy to the Interplast Board for its approval.

Section 5: Related Documents and Legislation

Interplast operates in accordance with several key Australian laws and international agreements:

1. **Commonwealth Criminal Code Act 1995** - Part 5.3: We adhere to the provisions outlined in the Commonwealth Criminal Code Act 1995, particularly Part 5.3, which addresses controlling funds and assets from non- or suspected terrorist organisations. It is a criminal offense to provide support, directly or indirectly, to individuals or entities associated with terrorism or money laundering.
2. **Charter of the United Nations Act 1945 (Part 4)**: Interplast complies with this act, which enables Australia to fulfill its international obligations under United Nations Security Council Resolutions 1267 and 1373. This includes freezing the assets of terrorist organisations and individuals, as mandated by the UN Security Council.
3. **Anti-Money Laundering and Counter-Terrorism Financing Act**: We abide by this act, which imposes obligations on organisations to prevent money laundering and the financing of terrorism. It includes measures to identify and report suspicious financial activities.
4. **Attorney General's Department Guidance**: Interplast follows the guidance provided by the Attorney General's Department in the document titled "Safeguarding your organisation against terrorism financing: A guidance for non-profit organisations." This ensures compliance with the DFAT Head Agreement, which requires anti-terrorism requirements in contracts with delivery partners.

This policy has been created based on the AUSTRAC-Australia's NGOs risk assessment- Money laundering / terrorism financing and ACFID's Good Practice Guidance.

Name of document/legislation	Location/hyperlink
Australian National Security List of Terrorist Organisations	https://www.nationalsecurity.gov.au/what-australia-is-doing/terrorist-organisations/listed-terrorist-organisations
Sanctions List (Also known as the DFAT Consolidated List)	DFAT's consolidated list
World Bank List (also known as the World Bank Listing of Ineligible Firms and Individuals)	The World Bank's list of Ineligible Firms and Individuals
The Asian Development Bank's Sanction List	Asian development bank's sanction list
Criminal Code Act 1995	https://www.legislation.gov.au/ Link to all federal legislation
Charter of the United Nations Act 1945	
Anti-Money Laundering and Counter-Terrorism Financing Act 2006	https://www.legislation.gov.au/
Attorney General's Department Guidance	https://www.ag.gov.au/
DFAT's Fraud control kit	https://www.dfat.gov.au/about-us/business-opportunities/dfats-new-fraud-control-toolkit
ACFID's Good Practise Guidance	https://acfid.asn.au/
AUSTRAC-Australia's NGOs risk assessment- Money laundering / terrorism financing	https://www.austrac.gov.au/
Counter terrorism Check Procedures	Interplast Key Documents
Counter terrorism Periodic Check Procedures	
Whistleblowing Policy	
Complaints Policy	

Section 6: Definitions

Word / Phrase	Definition
Personnel	<p>Personnel includes all employees, consultants, volunteers, Board Directors, Committee members, Working Group members and Ambassadors that are engaged by Interplast to perform the work of Interplast.</p> <p>Volunteers include both professional (e.g. administrative roles) and medical volunteers (e.g. surgeons, anaesthetists, nurses or allied therapists), students, interns, or any other person who has entered into a volunteer arrangement or agreement with Interplast.</p>
Observer	<p>Observers are individuals accompanying an Interplast program, delivered by volunteers in a partner country (e.g. representing a donor organisation or students on an observational placement). Observers do not have a clinical role but may assist the clinical team by completing tasks related to program delivery.</p>
Partner	<p>Partner includes organisations that work with Interplast to implement a joint project with mutually agreed outcomes, and/or with whom Interplast has a signed partnership agreement and/or memorandum of understanding.</p> <p>Partner organisations may or may not be recipients of funds through Interplast.</p>
Beneficiary	<p>Beneficiary 1) a patient receiving treatment through an Interplast activity (this may include a consult only, surgery, allied health treatment or other clinical care, and could be provided by an Interplast volunteer, or a local partner clinician during an Interplast activity), or 2) local partner personnel participating in training delivered by Interplast.</p>
Stakeholder	<p>Stakeholders include all personnel, observers, partners, beneficiaries and supporters, community members in the country where we work, funders, international development peers and organisations, or any other individuals or organisations that connect with Interplast.</p>
Counter-terrorism	<p>Refers to a set of proactive and preventative activities, strategies, and measures implemented by governments, law enforcement agencies, and organisations with the primary</p>

	goal of preventing acts of terrorism, disrupting terrorist activities, and safeguarding the safety and security of individuals, communities, and nations.
Money Laundering	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. Criminals launder money to legitimise proceeds from committing crimes. Money laundering enables criminals to accumulate and hide wealth, avoid prosecution, evade taxes, increase profits through reinvestment, and fund further criminal activity.
Proscribed Lists	Relates to lists of suspected terrorists or supporters of terrorists. Lists which Interplast is required to check against are outlined in 3.1.
Sanctions List	Also known as the DFAT Consolidated List
World Bank List	Also known as the World Bank Listing of Ineligible Firms and Individuals). https://projects-beta.worldbank.org/en/projects-operations/procurement/debarred-firms