



ACTED

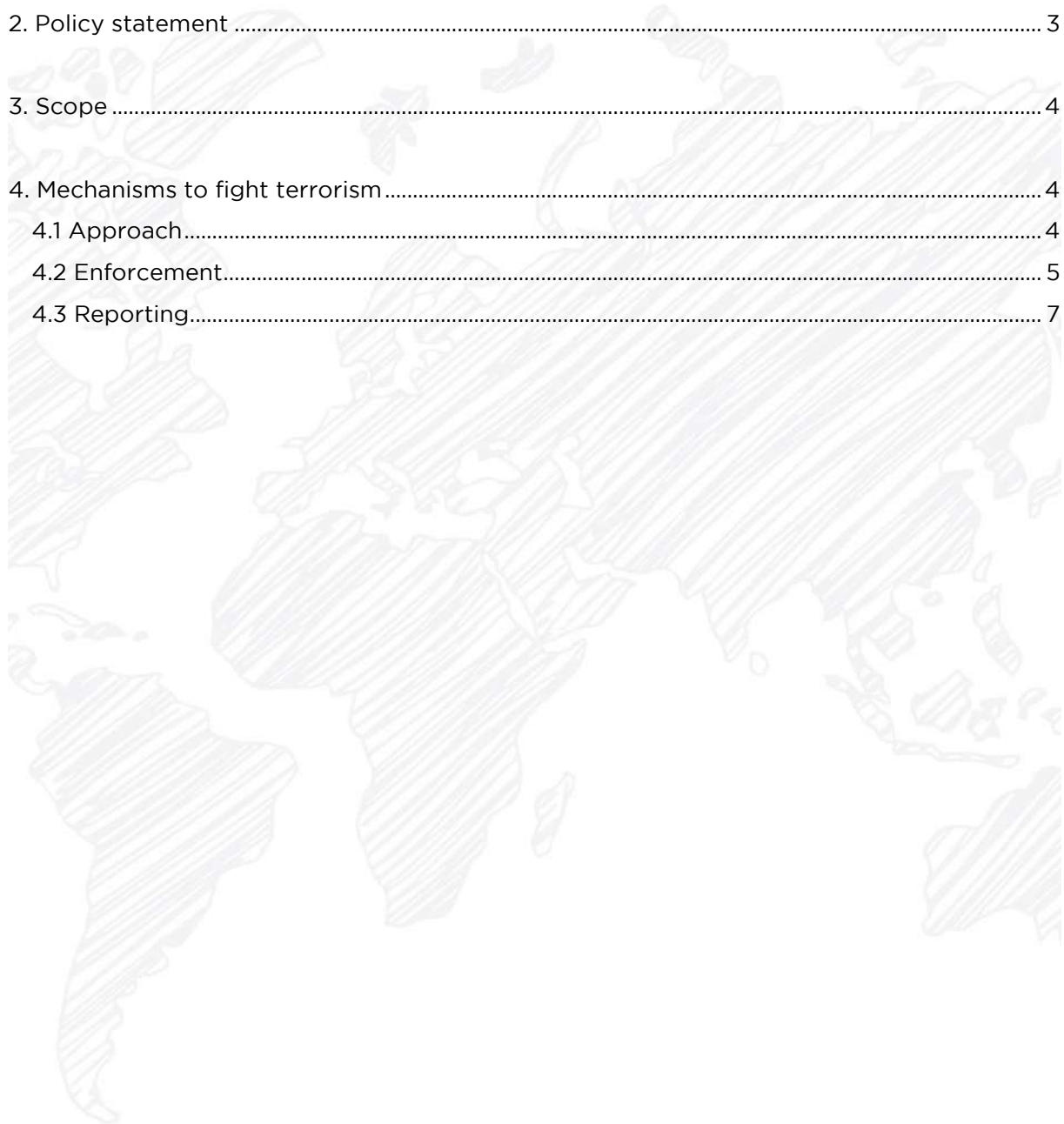


ANTI-TERRORISM POLICY

Version 2 | 2017

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1. Background

As an NGO operating in 35 countries, ACTED recognizes that there may be a risk of its donor funds being diverted by staff, contractors, financial service providers and partners to finance or support terrorist activities.

ACTED recognizes that, as other sectors (e.g. financial sector) are tightening their safeguards against terrorist abuse, there is a risk that terrorist organizations may focus more attention on our sector.

ACTED recognizes that different countries have different approaches and levels of regulation and safeguards. We have developed this policy to ensure that we are consistent in our approach.

ACTED believes that strong effective governance, financial and partner management are key to preventing abuse. This policy highlights the mechanisms in place. The issue of diversion of aid and contravention of counter-terrorism legislation is viewed as an internal control and risk management issue alongside fraud, bribery and corruption.

ACTED has developed this policy to ensure that ACTED's and donor funds and resources are not being used directly or indirectly to support terrorist activities and to provide a clear guide on what to do if terrorist activity is suspected. More broadly, this policy will enable ACTED to support sustainable development and reputation in delivering sustainable overseas aid, as well as ensure continued community support for overseas aid projects.

Our donors have extensive legislation around anti-terrorism and national security. International and national bodies impose strict obligations on funding recipients to ensure that funds do not support terrorist activities. ACTED will use its best practices and principles to ensure that our programmes are conducted in the context of these laws and obligations.

Failure to comply with donor requirements could significantly impact the reputation of ACTED as well as expose the organization to potential penalties. This policy therefore articulates ACTED's commitment to avoid involvement in terrorist activities and terrorist financing and outlines processes and procedures aimed at preventing, stopping, and punishing terrorism financing that has the capacity to result in the diversion of humanitarian aid or assistance.

2. Policy statement

ACTED renounces all forms of terrorism and will never knowingly support, tolerate or encourage terrorism or the activities of those who embrace and or finance terrorism. Consistent with numerous United Nations Security Council resolutions, including S/RES/1269 (1999), S/RES/1368 (2001), and S/RES/1373 (2001), ACTED is firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of ACTED to seek to ensure that none of its and its donor funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, ACTED undertakes to use reasonable efforts to ensure that none of its or its donor funds are used to provide support to individuals or entities associated with terrorism.

International and national regulations: ACTED recognizes the regulations by which donor countries abide. ACTED also recognizes relevant legislation related to counterterrorism (refer to Annex 1). flight arrangements



ACTED own policies which include: ACTED's Child Protection Policy; ACTED's Data Protection Policy; ACTED's Anti-Fraud, Bribery and Corruption Policy; as well as the Code of Conduct and the global Finance, Logistics, Administration & Human Resources, Transparency & Audit and Security & Safety manuals.

3. Scope

This policy applies to all ACTED governance members, staff & interns, financial service providers and contractors (suppliers, service providers and consultants).

This policy also applies to all partner organizations, their board members, staff, volunteers & interns, financial service providers, contractors and sub-grantees implementing projects with ACTED funding.

4. Mechanisms to fight terrorism

4.1 Approach

ACTED's procedures have a strong emphasis on "deter, detect, prevent, and respond". To minimize the risk of aid diversion, and in particular terrorism financing, ACTED employs the following approach:

1. Conducts regular risk analysis concerning anti-terrorism activities. The risk analysis typically includes a review of the relevant legal requirements of donor governments, transit governments (e.g., territories through which goods or services are transferred), and host state governments, as well as donor policies and industry standards (if any) from other sectors. It also includes security analyses, including stakeholder analyses (armed groups, state and non-state actors), to determine the risk of terrorism targeting or undermining our operations.
2. Enforces a strict code of conduct among its staff and staff of partner organizations with a strong reference point to anti-diversion and a statement on financial transactions with armed groups.
3. Maintains comprehensive financial records which account for all expenditure and publishes annual financial statements with detailed breakdown of incomes and expenditures.
4. Conducts annual external audit of all expenses as well as external audits of specific projects.
5. Reserves the right to carry out Third Party reference checks on individuals with whom ACTED has a contractual link to ensure these individuals are not associated with terrorism and do not appear on counter-terrorism lists through the use of an industry-standard auto-screening software.
6. Regularly trains its staff and partners on anti-diversion policies, procedures and practices.
7. Conducts an in-depth due diligence of partners and sub-grantees, including Third Party Reference Check to ensure the partner/sub-grantee does not appear counter-terrorism lists through the use of an industry-standard auto-screening software.



8. Applies a “know your supplier” principle for procurements for all national, international and restricted tenders (ACTED scenario D, E and F).

4.2 Enforcement

1. **Senior Managers** are responsible for:
 - Ensuring that ACTED and all staff members, volunteers & interns and contractors comply with all relevant legislation, ACTED Code of Conduct and ACTED policies;
 - Ensuring that all partner organizations and their board members, staff members, volunteers and contractors implementing aid and development projects funded by or through ACTED comply with all relevant legislation and policies.
2. **Managers** are in charge of:
 - Ensuring compliance with relevant legislation and ACTED policies;
 - Communicating this policy to all partner organizations and their board members, staff members, volunteers and contractors implementing projects funded by or through ACTED and ensuring that they comply with all relevant legislation and policies;
 - Approving activities after all conditions have been met;
 - Providing the General Direction with all relevant information which relates to breaches of this policy.
3. **All employees, volunteers & interns** are responsible for:
 - Complying with this policy and other relevant legislation.
4. ACTED **Administration & Human Resources Department** is responsible for:
 - Recruitment of employees, volunteers & interns, and any additional Third party reference checks which may be employed in sensitive and/or high risk countries;
 - Ensuring that each member of staff abides by ACTED Code of Conduct;
 - Ensuring adherence to relevant data protection legislation
 - Providing support to managers and other staff during any complaint or dismissal process.
5. ACTED **Security & Safety Department** is responsible for:
 - Ensuring that up to date risk assessments and context analysis are provided for each area of intervention to determine risks (of aid diversion).
6. ACTED **Finance Department** is responsible for:
 - Maintaining financial records and tracking all expense and incomes: ACTED maintains a multicurrency accounting system that allow tracking any expenses or incomes with a unique reference (voucher number) in the system. Each expense is linked to a specific project, contract and donor;
 - Controlling the use of ACTED funds: through internal control mechanism at area, capital and HQ levels, performed on a daily basis and reported from field to HQ on a monthly basis. These tools and processes are detailed in the Global ACTED Finance manual. 10 to 15 annexes are sent to HQ on a monthly basis to review financial flows, expense and incomes;
 - Selection of banks/financial institutions: following a due diligence check, incl. third party reference check;



- Bank management: authorized levels to carry out financial operations, segregation of duties, signatures, monthly bank reconciliations contribute to having a clear picture on the use of funds and avoid misuse of funds;
- Cash management: cash keeping processes, segregation of duties, monthly cash checking, contribute to having a clear picture on the use of funds and avoid misuse of funds;
- Money transactions:
 - Control done before payment: as defined in ACTED's finance manual, no commitment of expense can be done without authorization, must be documented with both internal (validation of the expense beforehand, including purpose of the transaction and link to the budget line of the donor's contract) and external documentation (bill, receipt, proof that the service or good has been provided). Then only the expense can be done and booked in the system.
 - Bank transfers are preferred. In case of payment to be done in cash, a specific procedure has to be followed with identity check of the person coming to collect the payment at the office.
 - Following any payment by ACTED, a confirmation of the receipt of funds is systematically requested.
 - Donations can only be accepted - as any other source of funding going through ACTED - upon HQ review and validation.
 - No donation can be done by ACTED to an external entity without HQ review and validation, due diligence of the entity and signature of a contract.

7. ACTED **Logistics Department** is responsible for:

- Procurement and contractor/supplier management based on the "know your supplier" principle which includes Third Party Reference check to ensure that contractors do not appear on the US Office of Foreign Asset Control (OFAC) list, UK Treasury lists, EU proscribed lists and UN sanctions lists;
- Administering Ethical Procurement Policy for suppliers;
- Controlling the use of ACTED assets and stocks through internal control mechanism at area, capital and HQ levels and performed on a daily basis and reported from field to HQ on a monthly basis as detailed in the ACTED Global Logistics Manual.

8. ACTED **Programme Department** is responsible for:

- Due diligence and selection of partner organizations;
- Training and oversight of partner organizations (with the support of the above-mentioned departments);
- Project cycle management, incl. monitoring and evaluation to improve the relevance, quality and accountability of ACTED's programs;
- Ensuring beneficiaries are screened and vetted in line with pre-established beneficiary selection criteria;
- Management of the beneficiary complaints and response mechanism.

9. ACTED **Transparency & Audit Department** is responsible for:

- Compliance with ACTED procedures including Anti-Fraud and Corruption Policy;
- Monitoring of this policy and adherence by staff, volunteers, partner organisations and contractors to this policy;
- Providing an independent assurance perspective with regard to all ACTED operations.



4.3 Reporting

In case of suspected terrorism related activity, ACTED:

1. Encourages stakeholders to report suspected terrorist activity using confidential means through transparency@acted.org;
2. Investigates according to ACTED's Anti-Fraud, Bribery and Corruption Policy and takes action accordingly;
3. Notifies the donor immediately if any link is discovered between funds, an assisted organisation and a terrorist-related organisation.





**ANTI-TERRORISM
POLICY**