

**MAA INTERNATIONAL**

**ANTI-MONEY LAUNDERING POLICY**



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# 1 INTRODUCTION

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MAA International (MAA) is registered with the Australian Charities & Not-for-profits Commission (ACNC). This registration and associated ACNC Tick of Charity Registration (the Registered Charity Tick) aims to give reassurance to the public that the charity is transparent and accountable by highlighting its presence on the ACNC Charity Register.

MAA is also a signatory and a full member of the Australian Council for International Development (ACFID) Code of Conduct, which requires high standards of corporate governance, public accountability and financial management to be in place. The ACFID Code of Conduct requires members to ensure that *'Funds and other resources designated for the purpose of aid and development will be used only for those purposes and will not be used to promote a particular religious adherence or to support a political party, or to promote a candidate or organisation affiliated to a particular party'*.

MAA embraces a risk-based approach to managing compliance, ensuring adequate controls are implemented to combat, detect, and report potential money laundering and financing terrorist activities.

As at August 2017 AUSTRAC and the Australian Charities and Not-for-profits Commission (ACNC) assess Anti-Money Laundering (AML) risks affecting Australian NPOs as Medium (this assessment remains valid for this 2024 policy review.) This is primarily based on suspicious matter reporting, the number of investigations into predicate crimes involving NPOs, and anecdotal insights from sector representatives regarding levels of criminal exploitation.

The key threats facing the NPO sector are fraud and theft of resources. General factors that increase any NPO's vulnerability to money laundering or terrorism financing include:

- poor understanding of the risks of money laundering and terrorism financing
- poor due diligence on key personnel, volunteers, partners and beneficiaries
- inexperienced staff
- lack of formalised training and ongoing professional development
- poor record keeping
- weak internal controls
- poor transparency and accountability of the end-to-end funding cycle
- beneficiaries or operations in countries with poor AML
- beneficiaries or operations in conflict or post-conflict regions
- beneficiaries or operations in dispersed ethnic communities in Australia, with strong links to high-risk countries

MAA is committed to undertaking the best possible procedures to ensure compliance with the ACNC, ATO, ACFID, DFAT and other relevant regulatory bodies. MAA endeavours to ensure accurate representation of its activities to all its stakeholders.

## 1.1 PURPOSE

The purpose of this policy is to stipulate the importance of Anti-Money Laundering, define and clarify MAA's policy against it, and facilitate the development and implementation of measures by MAA Board and Staff to provide appropriate actions and activities to implement this policy.

## 1.2 ROLES AND RESPONSIBILITIES

MAA has a zero-tolerance approach to any involvement in money laundering activities.

MAA will take measures to prevent its officers being exposed to money laundering, to identify areas in which money laundering may occur and to comply with legal and regulatory requirements, especially the process for reporting actual or suspected money laundering cases to MAA's **CEO (if against CEO, report directly to Chairperson)**. It is the responsibility of every officer to be vigilant and act promptly in all suspected cases.

The policy applies to all officers and members and sets out procedures for the reporting of suspected money laundering activities with the aim to reduce potential criminal activity. The policy defines procedures that will assist MAA to comply with its legal obligations.

The Policy should be read alongside the Anti-Money Laundering and Counter-Terrorism Financing Act 2006.

Failure of an officer to comply with the procedures defined within this policy may lead to disciplinary action in line with MAA Employee Handbook.

Failure of a member to comply with the procedures defined within this policy would be reported to the **CEO (if against CEO, report directly to Chairperson)** for further action.

## 1.3 DEFINITIONS

**Money laundering** is a term used to describe offences involving the proceeds of crime or terrorism funds.

'Money laundering' is defined in section 5 of the AML/CTF Act. It is described by The Australian Translation Reports and Analysis Centre (AUSTRAC) as follows:

"... Money laundering is the process whereby criminals attempt to hide and disguise the true origin and ownership of the proceeds of their criminal activities, thereby avoiding prosecution, conviction and confiscation of the criminal funds."

It consists of various stages:

- Placement - first stage of money laundering in which illegal funds or assets are first brought into the financial system
- Layering - the placed funds are distanced from their illegal origin by moving, disbursing or disguising them
- Integration - the funds are reintroduced into the economy for criminals to use and control apparently as legitimate funds.

**Terrorism financing** refers to activities that provides financing or financial support to individual terrorists or terrorist groups.

**Vulnerability** refers to the characteristics of a sector that make it susceptible to money laundering (including criminal misuse) or terrorism financing.

**Consequence** refers to the potential impact or harms of money laundering and terrorism financing in the NPO sector. It involves consequences for NPOs, individuals, national and international security, and the Australian economy and community.

While the risk to MAA of breaching legislation is low, officers in all areas should be aware that they could be potentially exposed to money laundering activities. It is important that all employees are aware of their responsibility to report any suspicions of money laundering activity as detailed within this policy. All officers are responsible to act promptly and report any suspicions to the **CEO (if against CEO, report directly to Chairperson)** to prevent any breach of legislation that can lead to serious criminal penalties.

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## 2 POLICY & PROCEDURES

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### 2.1 POLICY STATEMENT

Fraud can be very difficult to identify. MAA has a zero-tolerance approach to fraud and all other criminal activities. MAA is committed to monitor activities, from the point at which funds are received, throughout internal management and decision-making processes, to the point where funds are used. MAA understands the importance of particular warning signs, or ‘red flags’ which may indicate fraud.

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 places obligations on MAA and its employees with respect to suspected money laundering. The key points of consideration are:

Establishing and maintaining a Risk Based Approach (RBA) towards assessing and managing the money laundering and terrorist financing risks to the company including field partner’s due diligence;

- Procedures for reporting suspicious activity internally and to the relevant law enforcement authorities as appropriate;
- The maintenance of appropriate records for the minimum prescribed periods;
- Training and awareness for all relevant employees;
- The reporting and detection of suspected money laundering;
- Officers must be vigilant for the signs of money laundering;
- Any employee who suspects money laundering activity must report this promptly to CEO
- Whereas, in-case of complaint against CEO should be reported to Chairperson for the investigation.

MAA is prohibited from transacting with individuals, companies and countries that are on prescribed Sanctions lists.

Checks will be performed against the Criminal Code list of terrorist organisations and the DFAT consolidated list of individuals and entities subject to targeted financial sanctions, as per the following:

- [Asian Development Bank Sanction list](#)
- [Attorney General’s Department List of Terrorist Organisations](#)
- [DFAT’s Consolidated List](#)
- [World Bank Listing of Ineligible Firms](#)

- [UN Security Council Consolidated Sanctions](#)
- [US OFAC Consolidated List](#)

The lists are consolidated in DFAT's program LinkMatchLite.

The following are subject to mandatory terrorism checks against the lists above:

- Contractors, funders and suppliers engaging in money exchange with MAA for more than \$20,000 annually.
- Partner organisations, their board members, Directors and staff members involved in the MAA project, and their suppliers and contractors for more than \$20,000 annually
- MAA International staff
- MAA Board Members

MAA generally receives funding from companies, organisations and individuals the Board considers ethical. Any money received from sources that do not fit this profile will be investigated in accordance with acknowledged Australian Government 'Know Your Customer' procedures.

The Money Laundering Regulations are complex and detailed, and should any personnel have any doubt about the policy requirements, they are requested to seek further information from their line management.

## 2.2 REPORTING

Any employee who suspects money laundering activity should report their suspicions promptly to the **CEO (if against CEO, report directly to Chairperson)** using the form attached (AML Form 1). Upon receipt of the report, the **CEO (if against CEO, report directly to Chairperson)** may contact you directly to discuss the content of the report as required.

No further enquiries should be made about the suspected money laundering after reporting the matter to the **CEO (if against CEO, report directly to Chairperson)**. No further steps in any transaction relating to the suspected money laundering should be made without authorisation from the **CEO (if against CEO, report directly to Chairperson)**.

No disclosure should be made to others that would indicate suspicions of money laundering. Any officer reporting should not discuss the matter with others or note on file that a report has been made to the **CEO (if against CEO, report directly to Chairperson)** as this may result in the suspect becoming aware of the situation.

The **CEO (if against CEO, report directly to Chairperson)** will promptly evaluate any Disclosure Report to determine whether it should be reported to AUSTRAC.

Failure to report a disclosure to AUSTRAC without reasonable grounds is considered a criminal offence.

- **Any Instance of allegations could be reported to MAA via following communication mediums;**
  - [compliance@maainternational.org.au](mailto:compliance@maainternational.org.au)
  - +61 (2) 8016 9500
  - PO BOX 395 Bankstown, NSW, 2200

## 2.3 TRAINING

MAA will make all officers aware of the requirements and obligations placed on the organisation and on themselves as individuals in accordance with the Anti-Money Laundering and Counter-Terrorism legislation and provide targeted training to those most likely to encounter money laundering.



### 3 REVISION HISTORY

Date of this release: 29 August 2024	Date of next revision: 31 December 2026
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Revision Number	Revision Date	Summary of Changes	Changes Marked?
1.0	06 August 2012	Policy rewritten from scratch	N
2.0	11 August 2015	Update with new logo and minor enhancements.	N
3.0	30 May 2018	New section incorporated	N
3.1	1 <sup>st</sup> of Feb 2021	Adding reporting line for the complaints against CEO and communication medium for the reporting	Y
3.2	25 January 2024	Update with new logo	Y
3.3	29 July 2024	Update with the Annex 1	Y

## ANNEX 1 ANTI-MONEY LAUNDERING FORM 1

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**FOR COMPLETION BY THE OFFICER SUSPICIOUS OF ACTIVITY:**

**CONFIDENTIAL**

**Report to CEO (if against CEO, report directly to Chairperson) money laundering activity**

**To: CEO (if against CEO, report directly to Chairperson)**

From: \_\_\_\_\_

[insert name of employee]

Directorate: \_\_\_\_\_

[Insert post title and business unit]

Ext/Tel No: \_\_\_\_\_

URGENT YES/NO

Date by which response needed: \_\_\_\_\_

Details of suspected offence: \_\_\_\_\_

**Names(s) and address(es) of person(s) involved:**

[if a company/public body please include details of nature of business]

**Nature, value and timing of activity involved:**

[Please include full details e.g. what, when, where, how. Continue on a separate sheet if necessary]

**Nature of suspicions regarding such activity:**

[Please continue on a separate sheet if necessary]

**Has any investigation been undertaken (as far as you are aware)?** (Please tick the relevant box)

Yes  No

If yes, please include details below:

Have you discussed your suspicions with anyone else?

(Please tick the relevant box)  Yes  No

If yes, please specify below, explaining why such discussion was necessary:

Have you consulted any supervisory body guidance re money laundering? (e.g. the Law Society)  
[Please tick the relevant box]

Yes  No

If yes, please specify below:

Do you feel you have a reasonable excuse for not disclosing the matter to AUSTRAC? (e.g. are you a lawyer and wish to claim legal professional privilege? [Please tick the relevant box]  Yes  
 No

If yes, please set out full details below:

**Signed:** \_\_\_\_\_ **Dated:** \_\_\_\_\_

**Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity described.**

**THE FOLLOWING PART OF THIS FORM IS FOR COMPLETION BY THE CEO (if against CEO, report directly to Chairperson)**

Date report received: \_\_\_\_\_

Date receipt of report acknowledged: \_\_\_\_\_

CONSIDERATION OF DISCLOSURE:

**Action plan:**

OUTCOME OF CONSIDERATION OF DISCLOSURE:

**Are there reasonable grounds for suspecting money laundering activity?**

If there are reasonable grounds for suspicion, will a report be made to AUSTRAC? [Please tick the relevant box]  Yes  No

If yes, please confirm date of report to AUSTRAC: \_\_\_\_\_ and complete the box below:

**Details of liaison with AUSTRAC regarding the report:**

**Notice period:** \_\_\_\_\_ to \_\_\_\_\_

**Moratorium Period:** \_\_\_\_\_ to \_\_\_\_\_

Is consent required from AUSTRAC to any ongoing or imminent transactions which would otherwise be prohibited acts? [Please tick the relevant box]  Yes  No

If yes, please confirm full details in the box below:

Date consent received from AUSTRAC: \_\_\_\_\_

Date consent given by you to employee: \_\_\_\_\_

If there are reasonable grounds to suspect money laundering, but you do not intend to report the matter to AUSTRAC, please set out below the reason(s) for non-disclosure:

[Please set out any reasonable excuse for non-disclosure]

**Date consent given by you to employee for any prohibited act transactions to proceed:**

\_\_\_\_\_



**Other relevant information:**

**Signed:** \_\_\_\_\_

**Dated:** \_\_\_\_\_