

Anti-Money Laundering and Counter-Terrorism Financing Policy GOV 7.0

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Applicable to	Asian Aid Organisation Ltd and its associated entities
Authority	AAO Board
Responsible Officer	Chief Executive Officer
Responsible Office	Finance
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Scope / Short description	This policy outlines AAO's commitment to identify and minimise the risk of financial wrongdoing by AAO stakeholders from within Australia and internationally. This policy is included within the Governance (GOV) Policy Manual, as part of the AAO Policy Framework.
Related Asian Aid Documents	AAO HRM 1.0 Code of Conduct AAO HRM 3.5 Privacy Policy AAO HRM 3.13 Performance Counselling and Disciplinary Policy AAO HRM 3.19 Recruitment Policy AAO HRM 3.2 Induction Policy AAO COMS 3.2 Complaints Handling Policy AAO COMP 6.0 Whistleblower Policy AAO Partnership Standards AAO Partnership Agreement AAO Child Focused Approach (CFA) Implementation Framework
Related Legislation and External Documents	ACFID Code of Conduct (Commitment 8.2) ACNC External Conduct Standards DFAT Fraud Control Toolkit DFAT Consolidated List ICRC (International treaties against terrorism and the use of terrorism during armed conflict and by armed forces Commonwealth Criminal Code Act 1995 (Cth) Australian National Security List of Terrorist Organisations Attorney General's Department (Australia's Counter-Terrorism Laws)
Key Words	Fraud; Corruption; Counter-Terrorism; Financial Wrongdoing

PURPOSE

This Policy aims to identify and minimise the risk of financial wrongdoing by Asian Aid Organisation (AAO) stakeholders from within Australia and internationally. AAO will monitor, review and report risks, while also promoting a culture of accountability, transparency and due diligence to minimise the risk that funds or resources managed by AAO are misused to support the actions of individuals and organisations associated with financial wrongdoing or terrorism.

POLICY STATEMENT

- AAO is committed to the prevention of financial wrongdoing and managing all donor funds with honesty, transparency and accountability in our financial operations. The internal financial control procedures and risk management processes implemented by AAO minimise the risk and ensure that funds are not misused but are properly managed and disbursed.
- AAO will ensure all personnel are familiar with and comply with the AAO Code of Conduct and ACFID's Code of Conduct.
- AAO will ensure our international partners are familiar with, and comply with implementing suitable anti-terrorism financing and anti-money laundering practices and processes and further comply with applicable anti-terrorism financing and anti-money laundering laws and regulations.
- The partners of AAO are required to sign a Memorandum of Agreement (MoA) securing their acknowledgement and consent regarding their obligation to comply with the counter-terrorism legislation as outlined in the Recognised Terrorist Lists section in this Policy.
- AAO adopts best practice principles to ensure that its activities are not associated with any fraud, corruption and terrorist individuals or organisations and that funds are not misused to support any form of terrorist activity.

SCOPE

This Policy applies to:

- The prevention of financial wrongdoing in our operations and programs in Australia as well as in all that we do overseas;
- All AAO representatives – including all personnel (national, international, permanent, part-time or casual) interns, individual contractors and consultants;
- Members and supporters of AAO;
- Volunteers, board members, staff and representatives of partner agencies and any other individuals, groups or organisations who have a formal/contractual relationship with AAO; and
- Donors, journalists, celebrities, politicians and other people who visit AAO programs or partner offices.

All of the above must act in accordance with this Policy in both their professional and their personal lives.

INTRODUCTION

Asian Aid Organisation (AAO) is a non-government charity registered with the Australian Charities and Not-for-profits Commission (ACNC). AAO undertakes activities that fall within the scope of its objects including welfare, relief and development activities in the Australian Territories and in developing countries.

As a humanitarian and development organisation, and an advocate of human rights and humanitarian law, AAO is committed to resolving conflict through peaceful, non-violent means, and is committed to upholding the Australian law and meeting its obligations under legislation. AAO condemns all forms of violence against civilians, including terrorism and is committed to taking all relevant measures to prevent the financing or support of terrorism or terrorist organisations. AAO also has a duty to ensure our funds and resources are used for their intended humanitarian and development purpose, along with a duty of care to respect, protect and fulfil the rights of the affected communities we seek to serve with the highest ethical standards in the implementation of our programs.

Furthermore, AAO acknowledges that the consequences of becoming involved in terrorist financing, even indirectly or inadvertently, would irreparably damage our reputation, status and donor confidence. As an organisation which operates internationally, it is also important that AAO holds its partner organisations to the same requirements and standards.

In this context, a terrorist act is an act, or a threat to act, that meets both these criteria:

- Terrorism intends to coerce or influence the public or any government by intimidation to advance a political, religious or ideological cause.
- Terrorism causes one or more of the following:
 - death, serious harm or danger to a person;
 - serious damage to property;
 - a serious risk to the health or safety of the public; and
 - serious interference with, disruption to, or destruction of critical infrastructure such as a telecommunications or electricity network.¹

Advocating, protesting, dissenting or taking industrial action are not terrorist acts where the person doing the activity does not intend to cause serious harm to a person or create a serious risk to public safety.

Terrorist activities are reliant on financial support. The Australian Department of Foreign Affairs and Trade (DFAT) advises that terrorists have sought to manipulate and misappropriate resources from humanitarian and development NGOs to underpin their operations.²

The ACNC states that terrorists can misuse funds from Non-Profit Organisations (NPO) to finance and support their activities, with or without the charity's knowledge, including through:

- Using charity funding;
- Using charity assets;
- Using the charity's name and status;

¹ Attorney General's Department, www.ag.gov.au/NationalSecurity/CounterterrorismLaw/Pages/AustraliascounterterrorismLaws.aspx

² DFAT,

www.ag.gov.au/CrimeAndCorruption/AntiLaunderingCounterTerrorismFinancing/Documents/Safeguardingyourorganisationagainstterrorismfinancing-booklet.pdf

- Cleaning money through charities;
- Committing financial abuse within a charity; and
- Setting up a charity for an illegal or improper purpose.

AAO recognises the risks that fraud and financial crime may occur either domestically or internationally. Therefore, AAO has an obligation to all stakeholders to ensure that all monies used and disbursed by AAO are used only for their agreed purpose and that processes are in place to protect those funds from fraud in both Australia and in the developing countries where AAO programs are operating.

Where AAO works in overseas contexts, there are particular risks associated with our work, including in relation to:

- Working with and/or donating funding to other NPO's for aid and development projects overseas;
- Working with NPOs with a range of organisational capacity;
- Remote management and monitoring; and
- Operating in regions where terrorist activity is known to occur.

RESPONSIBILITIES

The Chief Executive Officer (CEO) in consultation with the Board, is responsible for the administration, interpretation, and implementation of this Policy. Where issues related to the compliance to this Policy are identified, the CEO will work with staff and other relevant stakeholders to address these issues promptly.

All parties covered within the scope of this Policy hold responsibilities to prevent, detect and report cases of financial wrongdoing both domestically and internationally and must advise AAO accordingly.

LEGAL FRAMEWORK

The international community have rightly taken strong measures against terrorism through UN Security Council resolutions and domestic laws, specifically:

- Individuals or organisations, may face criminal penalties if they provide financial support or facilitate payments to a terrorist individual, organisation or act.
- The Criminal Code Act 1995 (Cth) ('the Criminal Code') sets out criminal penalties (up to life imprisonment) for providing support intentionally or recklessly to a terrorist organisation.
- Penalties also apply under the Charter of the United Nations Act 1945 (Cth) ('the Charter of the UN Act') for making assets available to a proscribed person or entity.

AAO adopts these resolutions and laws, and also acknowledges Australia's commitment to combating financial wrongdoing and terrorism financing as a party to the International Convention for the Suppression of the Financing of Terrorism and notes the recommendations of the Financial Action Task Force (FATF) Special Recommendation VIII. This Policy has also been informed by the Attorney-General's Department document, *Safeguarding your Organisation Against Terrorism: A Guidance for Non-Profit Organisations*.

This Policy commits AAO to complying with Australian laws and ensuring our partners, sub-contractors³ and staff comply with local domestic laws through strict adherence to processes and policies that minimise the risk of

³ A sub-contractor is any individual or organisation involved in the implementation of a project funded by AAO.

support for individuals and organisations associated with terrorism.

RECOGNISED TERRORIST LISTS

Under the law, there are two ways for an organisation to be identified as a 'terrorist organisation'. Either an organisation may be found to be such an organisation by a court as part of the prosecution for a terrorist offence, or it may be specified in Regulations, known as 'listing'.

When a court has determined, or by regulation it is determined, that an organisation is a 'terrorist organisation', it is an offence for any individual or organisation to:

- direct the activities of the organisation;
- recruit persons to the organisation;
- receive training from or provide training to the organisation;
- receive funds from or make available funds to the organisation; and/or
- provide support or resources to the organisation.

It is also an offence to be a member of any listed terrorist organisation and to intentionally associate with a person who is a member or who promotes or directs the activities of a listed terrorist organisation where that association provides support that would help the terrorist organisation to continue to exist or to expand.

AAO will not partner with, sub-contract to or employ entities or individuals appearing on the following lists:

- The Australian Government's Consolidated List⁴ which includes all persons and entities designated by the UN and Minister for Foreign Affairs for their association with the commission of terrorist acts pursuant;
- The List of Terrorist Organisations⁵ which includes all organisations proscribed by the Australian Government as terrorist organisations under the Criminal Code because they advocate the undertaking of a terrorist act;
- The World Bank's Listing of Ineligible Firms and Individuals⁶; and
- The Asian Development Bank's Sanctions List⁷.

AAO APPROACH

Counter-Terrorism

AAO holds a zero-tolerance approach to terrorism. Accordingly, AAO will:

- **Screen Partners**, their staff and sub-contractors against the Australian Government's DFAT Consolidated List and Australian National Security List of Terrorist Organisations. AAO recommend the additional screening of the World Bank's Listing of Ineligible Firms and Individuals and the Asian Development Bank's Sanctions List.
- AAO will undertake assessments of all new partners and their staff against these lists.

⁴ From the regulations made under the Criminal Code Act 1995 and regulations made under the Charter of the United Nations Act 1945 (Cth)

⁵ <https://www.nationalsecurity.gov.au/Listedterroristorganisations/Pages/default.aspx>

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<http://web.worldbank.org/external/default/main?theSitePK=84266&contentMDK=64069844&menuPK=116730&pagePK=64148989&piPK=64148984>

⁷ <https://lnadbg4.adb.org/oga0009p.nsf/alldocs/AANA-AAFBDE?OpenDocument>

- Asian Aid will **assist its partner agencies to understand the intent and importance of the Australian Counter-Terrorism Legislation**. Further, it will seek their formal sign-off that they comply with the requirements of the legislation and that they are not in any way associated with the current list of known terrorist organisations. This should be done at the same time the list is reviewed at the Australian office.
- **Immediately report (within 24 hours) any program activity that directly or indirectly involves individuals and organisations associated with terrorism or suspected money-laundering to DFAT**. If AAO, an AAO partner, a staff member of an AAO partner, or a sub-contractor of an AAO partner have been found to have engaged in support to a terrorist organisation, AAO will immediately cease any further transfer of funds to that partner and notify the Australian Government as required under Australian law. If an AAO partner, a staff member of an AAO partner, or a sub-contractor of an AAO partner, is listed as a terrorist organisation or appears on the Consolidated List or the List of Terrorist Organisations, AAO will also immediately cease any further transfer of funds to that partner and notify the Australian Federal Police. If it is not immediately clear whether there is a match between the name provided and any name on the Consolidated List, AAO staff must request the assistance of the Australian Federal Police to determine whether or not an asset is owned or controlled by a person or entity on the Consolidated List.

The Counter-Terrorism Branch (CTB) is part of the Protective Security Coordination Centre (PSCC); a division within the National Security and Criminal Justice Group of the Attorney-General's Department (AGD).

- Attorney-General's Department Central Office, Robert Garran Offices
National Circuit, BARTON ACT 2600
Tel: (02) 6250 6666
Fax: (02) 6250 5900

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- **Report any actual or suspected terrorism financing**. In such instances, the National Security Hotline will be immediately contacted. AAO will also notify the ACNC, with whom we are registered, of any breaches of obligations.
 - **Ensure elevated risk procedures are observed when:**
 - Working in environments assessed to be high risk through our risk management review;
 - Where partner organisations have been observed using weak financial controls during initial capacity assessments or subsequent partnership reviews; or
 - The beneficiaries of development or humanitarian aid are unclear.
 - **Where elevated risk procedures are enacted, AAO will:**
 - Increase the frequency of screening partner staff lists and their sub-contractors against the Consolidated Lists as identified above.
 - Escalate financial reporting requirements (for example, to monthly and/or quarterly reports);
 - Escalate in-country reviews of programs and processes annually (for example, to monthly and/or quarterly reports).

Anti-Terrorism Financing

AAO holds a zero-tolerance approach to terrorism financing. Accordingly, AAO will adopt the following

processes and procedures for the management and distribution of donated funds. These processes and procedures ensure that funds are used for the purpose intended and ensure that it avoids dealing with individuals and organisations associated with terrorism.

- AAO shall ensure that it has appropriate financial control and risk management mechanisms for the management and disbursements of donated funds to ensure that funds are properly accounted for and used for the specific purposes for which they have been given.
- AAO shall take all reasonable practicable efforts to ensure that any funding provided by AAO is not used to support terrorist activity.
- AAO will ensure that all personnel are made aware of this Policy and the Best Practice Principles and are made aware of their obligations under Australian law relating to terrorist financing and of the level of risk that AAO may be exposed to in respect of terrorist financing.
- Should AAO engage in any fundraising campaign, it shall use its best endeavours to follow the standards articulated in the Standard of Overseas Aid Fundraising Practice.
- AAO carries out proper due diligence on all partner organisations including:
 - Verifying their identity;
 - Knowing what their business is, their track record, credentials and reputation in the sector;
 - Assessing their capacity to undertake the specific project with AAO; and
 - Assessing whether they have adequate internal financial control measures for the management and disbursement of funds and to minimise misuse of funds and resources.
- In carrying out the due diligence on partner organisations, AAO considers the issues and questions set out in the Partner Due Diligence Checklist (page 12).
- AAO will make all partner organisations aware of AAO's obligations under Australian law in respect of terrorist financing. Partner organisations are to be made aware of the need to adopt similar measures to ensure that the funds they receive from AAO do not go towards supporting any terrorist organisations or individuals. All partnership agreements will include:
 - an expressed acknowledgement and undertaking by partner organisations to disburse funds received solely for the intended purpose of the project and for no other purpose and a right for AAO to terminate the agreement should the partner organisation fail to do so;
 - an obligation on partner organisations to keep separate financial records for the project funds received, keep accurate, and up-to-date financial records of all financial transactions concerning project funds which substantiate all expenditure, and make them available for inspection by AAO;
 - a requirement on partner organisations to cooperate fully in any audit of funds provided by AAO for the project; and
 - appropriate provisions requiring that the partner organisation use its best endeavours to ensure that any funding provided by AAO is not used to support any organisations or individuals associated with terrorism.
- Require partner organisations to provide accounting reports to show how AAO funds have been spent and distributed.

- Have in place proper internal controls to ensure that all funds are fully accounted for. Internal controls will ensure that funds are spent in a legitimate manner that is consistent with stated objects under AAO's Constitution. It will ensure that the disbursement of funds is consistent with the purpose and objectives of the particular program or project.
- Wherever possible, only conduct financial transactions through formal channels, using reputable banks and other regulated financial institutions.
- Keep proper records of all financial transactions.
- Monitor and verify end use of funds to partner organisations and beneficiaries.

MITIGATION OF RISKS

AAO also acknowledges the need to ensure the promotion and adherence to holistic best practice policy development and implementation to mitigate and respond to the risks posed by individuals and organisations associated with terrorism. Specifically:

(i) Risk management

- We will identify and monitor the level of risk that we may be exposed to in relation to terrorism financing, and where risk is evident, take necessary precautions.
- We will ensure that staff and volunteers are aware of the level of risk that they may be exposed to in relation to terrorism financing and, where risk is evident ensure that precautions are in place.
- We will undertake a thorough assessment of any new partners.

(ii) Due diligence

- We have been in partnership with many of our partners for over 10 or 20 years and endeavour to know their staff and work as well as possible.
- We work as a member of the ACT Alliance and engage like-minded local ecumenical partners with long-standing and a clear track records as respectable community development practitioners.
- All funded partners agree to participate in counter-terrorism screening procedures and to our transparency and accountability requirements.
- AAO conducts counter-terrorism screening, rather than relying on the partner or prospective partner to conduct this themselves.

(iii) Transparency and accountability

- We seek to promote financial accountability and management in capacity building initiatives with all partners.
- We maintain clearly documented records of what assistance has been provided, who has received it, and the details of any third parties involved.
- Our Partnership and Grant Agreements include explicit requirements related to counter-terrorism.
- Through cyclical reviews and robust monitoring and evaluation, we ensure that funds are used for stated objectives and that adequate information about the nature of their projects is provided.
- We undertake to report suspicious activity to DFAT, the Australian Federal Police, and the National Security Hotline as required.

(iv) Using Third Parties

- We will continue to make all reasonable efforts to ensure the third party is aware of, and seek assurance that the third party will comply with, all applicable laws.
- We will continue to make all reasonable efforts to ensure the third party is aware of, and seek assurance that the third party will comply with our approach to counter-terrorism.

In addition, AAO understands that it must not be listed on DFAT's Consolidated List of individuals and entities subject to targeted financial sanctions, the Attorney General's Department List of Terrorist Organisations, the World Bank Listing of Ineligible Firms and Individuals or the Asian Development Bank Sanctions List. AAO must also ensure that no member of the AAO Board or staff appears on the ASIC Disqualified Persons Register (which lists persons who have been disqualified from the management of a corporation, self-managed superannuation fund or banned from practising in the Australian financial services (AFS) or credit industry) or the ACNC Register of Disqualified Persons (which lists responsible persons suspended or removed from a charity by the ACNC).

REPORTING AND RELATED POLICIES

AAO will immediately investigate any domestic or international reports of corruption, fraud or terrorist risks to enable prompt prevention, mitigation, response and reporting through the following actions:

1. Any action, individual or organisation AAO suspects may be in support of terrorist activity is reported to DFAT and the Australian Federal Police or the National Security Hotline within 24 hours, including any suspicious activity or if any link is discovered between funds provided by AAO and a terrorist organisation or terrorist individual.
2. If AAO discovers that any partner organisation or any beneficiary of AAO funds is on, or is subsequently added to, the Consolidated List or List of Terrorist Organisations, AAO would also immediately withdraw all support, including any funding.
3. The AAO Risk Management Framework monitors and reports risks pertaining to individuals and organisations associated with terrorism.

There are different scenarios through which a case of corruption or fraud may come to the attention of AAO:

- Independent evaluation and auditing process conducted as per AAO partnership and project agreement requirements.
- The lodgement of a complaint that notifies AAO of observed or suspected instances of corruption and fraud. Such a complaint could be identified either domestically or internationally and derived from within or outside the organisation.

In the case of a complaint being brought to the attention of AAO for corruption or fraud, this Policy is to be read in conjunction with the AAO Complaints Handling Policy and Whistleblower Policy. The Complaints Handling Policy is the first point of contact for all formal complaints submitted to AAO regarding its domestic operations or those of its international partners.

This Policy supports the AAO Organisational Strategy, Code of Conduct, Risk Management Framework and policy and partnership agreements. It is recommended that this Policy be reviewed every three years and annual summaries be provided to the Board and CEO identifying any known act of corruption, fraud, counter-terrorism including any checks and processes completed.

DEFINITIONS

There are a number of relevant key terms used in this Policy and applicable in the work of implementing and monitoring this Policy by AAO and all of its partner organisations. These are defined below.

Word/Term	Definition
Best Practice Principles	Principles designed to safeguard against terrorism financing which are published by the Australian Government in its guide entitled <i>Safeguarding your organisation against terrorism financing. A guidance for non-profit organisations</i> (https://www.homeaffairs.gov.au/criminal-justice/files/safeguarding-your-organisation-against-terrorism-financing.pdf).
Consolidated List	A list of terrorist individuals and entities subject to targeted financial sanctions under the United Nations Security Council’s Resolutions 1267 and 1373 and maintained by DFAT.
Criminal Code	Criminal Code Act 1995 (Cth) as amended.
Listed Individuals or Organisations	<p>Any individual or organisation which appears on either of the following lists:</p> <p>The Consolidated List of all persons and entities subject to targeted financial sanctions under United Nations Security Council decisions and maintained by the Department of Foreign Affairs and Trade (DFAT) pursuant to Regulation 40 of the Charter of the United Nations (Dealing with Assets) Regulations 2008. This list is therefore not limited to terrorist organisations, but does include all persons and entities designated by the United Nations Security Council’s Al-Qa’ida and Taliban Committee pursuant to Resolution 1267 (1999) and all persons and entities designated by the Minister for Foreign Affairs for their association with the commission of terrorist acts pursuant to Resolution 1373 (2001).</p> <p>List of Terrorist Organisations – Organisations which have been proscribed by the Australian Government as terrorist organisations under the Criminal Code because they advocate the doing of a terrorist act (regardless of whether or not a terrorist act occurs), or because they are directly or indirectly engaged in, preparing, planning, assisting in or fostering the doing of a terrorist act (regardless of whether or not a terrorist act occurs). Before an organisation can be listed, the Attorney General must be satisfied on reasonable grounds that the organisation ‘is directly or indirectly engaged in, preparing, planning, assisting in or fostering the doing of a terrorist act’.</p>
Standard of Overseas Aid Fundraising Practices	The standards published by the Fundraising Institute Australia for conducting overseas aid fundraising activities within an ethical framework.
AML CTF 2006	Anti-Money Laundering and Counter-Terrorism Financing Act 2006

UN Charter Act	Charter of United Nations Act 1945 (Cth) as amended.
Partner / Partner Organisation	Any organisation or person that AAO works with, or is involved with, about any relief or development programs or projects. Partner Due Diligence Checklist means the checklist provided in this Policy (page 12).
Representatives	Representatives includes all AAO personnel (national, international, permanent, part-time or casual) interns, individual contractors and consultants.
NPO	Not-for-Profit Organisation
All reasonable effort	Activities and initiatives used to reflect the need for positive action and a common sense approach, based on the level of risk, to meet legal obligations and avoid inadvertently financing terrorist activity.
Beneficiaries	To those natural persons, or groups of natural persons who receive charitable, humanitarian or other types of protection and solutions through the services of the NGO. This assistance can be material or non-material.
Corruption	The abuse of entrusted power for private gain, including financial corruption such as fraud, bribery and extortion.
Funds	Assets of any kind or property of any kind, whether tangible or intangible, movable or immovable, however acquired, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such property or assets, including, but not limited to, bank credits, travellers cheques, bank cheques, money orders, shares, securities, bonds, debt instruments, drafts and letters of credit.
Suspicious activity	Any activity where a known or suspected terrorist individual or organisation is involved, or where a known or suspected terrorist act is to occur. This includes, but is not limited to, any activity involving any listed individuals or organisations.
Fraud	The theft of or unlawful misuse of AAO funds or other resources.
Financial Wrongdoing	Is taken to mean fraud, corruption, bribery, money-laundering, terrorism financing and violation of sanctions imposed by the Australian Government.
Third Party	Any individual or organisation other than a beneficiary to which the NPO provides funding or support to, or receives funding or support from, to carry out its usual functions, including fundraising and delivering aid. 'Third Party' includes, but is not limited to, partners, intermediaries, contractors, sub-contractors and service providers.

PARTNER DUE DILIGENCE CHECKLIST

Using Third Parties	<ul style="list-style-type: none"> • Are we satisfied with the partner’s status and governance? Consider checking: <ul style="list-style-type: none"> – Its governing document – Its business/company registration – The Consolidated List – List of Terrorist Organisations • Carry out internet searches and review local media to identify if, for example, the organisation has any links with political activity.
Representatives and Structures	<ul style="list-style-type: none"> • Who are the key senior personnel? Have we checked that they do not appear on the Consolidated List? • Is the organisation’s size, management and operational structure fit for purpose? • Can we be reasonably sure the organisation is able to deliver the services required? • How easy is it to contact the organisation’s senior representatives and other key staff?
Practical Working Relationship	<ul style="list-style-type: none"> • What do we know about the partner? Have we worked with them before? • Does our experience of working with the partner in the past raise any concerns? • Are its aims and values compatible with those of AAO? • Are there likely to be any language, communication or cultural problems? • How can these be overcome? • Is the partner already working with other organisations? Will this present any problems? • Are there arrangements in place to enable us to monitor the charitable services provided? • Are we confident about any third parties involved in monitoring and feedback?
Accounting and Internal Financial Controls	<ul style="list-style-type: none"> • Are the partner’s financial controls generally adequate and reliable? • Are its financial policies and procedures documented? • What recording and audit systems are in place, and are these suitable for the type of work being undertaken and the scale of funding involved? • Will AAO be able to inspect the partner’s financial records? • Are there any concerns about local banking arrangements and the movement of funds? If so, have these been addressed satisfactorily? • Does the partner have adequately trained and qualified staff to manage funds, maintain accounts and report back to AAO? • How closely do the partner’s senior staff monitor its more junior staff?

External Risk Factors	<ul style="list-style-type: none">• What special risk factors apply to the area in which the partner organisation will operate? Will AAO be able to deal with these?• For example:<ul style="list-style-type: none">– What is the political, economic and social environment?– Is there any potential or actual instability, unrest or conflict?– Are there health and safety concerns for AAO representatives?– Would external factors affect AAO's ability to monitor the partner effectively?
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