

# **CBM Global Policy: Counter Terrorism & Anti-Money Laundering**

May 2021



# Introduction

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CBM Global is committed to ensuring that aid goes to those who need it and for whom it is intended and that our assistance is not diverted or subject to any manipulation. We are committed to upholding domestic and international laws and donor agreements that regulate our operations.

CBM Global has a zero-tolerance policy towards supporting or financing terrorist activities or money laundering. Such activities are contrary to the vision, mission and values of CBM Global and our Code of Conduct. Zero tolerance means that CBM Global does not tolerate supporting or financing terrorist activities or money laundering in relation to any of our work and that all suspicions of breach and effective breach of this policy must be reported immediately to CBM Global. CBM Global takes all suspicions or proof of supporting or financing terrorist activities or money laundering seriously and will assess, act upon, investigate and discipline all such cases as appropriate and in a professional, transparent, and fair manner.

Indications that CBM Global, any of its employees or any of the 3rd parties it actively engages with, are linked to supporting or financing terrorist activities or money laundering can be damaging to CBM Global's values, reputation, undermining the morale of our staff and the trust and support of programme participants, partners, donors and the wider public. Supporting or financing terrorist activities or money laundering also poses legal risks both for the organization and individuals involved. We must act, and be seen to act, in a way that is honest and transparent.

The policy on counter terrorism & anti money laundering will be reviewed as deemed necessary to ensure the content reflects current needs and international best practices.

## Definitions

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According to the United Nations, **terrorism** are criminal acts directed against a State and intended or calculated to create a state of terror in the minds of particular persons or a group of persons or the general public.

According to the United States Treasury Department, **money laundering** is the process of making illegally-gained proceeds (i.e., "dirty money") appear legal (i.e., "clean"). Typically, it involves three steps: placement, layering, and integration. First, the illegitimate funds are furtively introduced into the legitimate financial system. Then, the money is moved around to create confusion, sometimes by wiring or transferring through numerous accounts. Finally, it is integrated into the financial system through additional transactions until the "dirty money" appears "clean".

## Scope and Liability

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Compliance with this policy is mandatory for staff, implementing partners, contractors and related Third Parties. Failure to do so will result in disciplinary action up to and including the possibility of termination of employment or termination of the violating party's contract and/or business relationship with CBM Global. CBM Global furthermore reserves the right,

without prejudice to any other right or remedy available to it, to take such additional action, civil and/or criminal, as may be appropriate.

# Policy and Statements

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## Rules

1) Supporting or financing terrorist activities or engaging in money laundering on the part of any CBM Global employee or board member or any third party (partner, consultant, supplier etc.) in their engagement with CBM Global, is prohibited and this policy is incorporated by reference in employment and 3rd party contracts.

## Prevention of supporting or financing terrorist activities or money laundering

2) CBM Global will foster an organisational culture in which supporting or financing terrorist activities or engaging in money laundering is never acceptable and will not be tolerated.

3) CBM Global will ensure employees, board members, partners that engage with CBM Global are made aware of the policy on counter terrorism & anti money laundering and it is the responsibility of CBM Global to provide training.

## Consequence

4) Employees of CBM Global, as well as members of the board, who support or finance terrorist activities or engage in money laundering, fail to report knowledge of supporting or financing of terrorist activities or money laundering will be subject to disciplinary action up to and including termination of employment or board membership respectively. Third parties who fail to comply with this policy will have their agreements and/or contracts with CBM Global terminated. CBM Global will seek restitution or prosecution or other legal remedies as appropriate.

## Reporting and investigating supporting or financing terrorist activities or money laundering

5) CBM Global has a Whistleblower Policy which provides employees, partners, board members, and third parties with a confidential reporting mechanism and this policy ensures that anyone who reveals supporting or financing of terrorist activities or money laundering in CBM Global operations is protected from reprisals. CBM Global encourages such reporting. CBM Global welcomes employees, board members, partners and 3rd parties addressing their concerns and will not penalize anyone who in good faith has made a protest or raised a complaint against some practice of CBM Global, or of another individual or entity with whom CBM Global has a business relationship.

6) Any reported incidents of suspected and actual supporting or financing terrorist activities or money laundering will immediately be forwarded to the Finance Director, for follow up according to the Critical Issue Process. The Finance Director assesses which other CBM Global departments or parties should be notified (e.g. Board committees, funding Member Associations, or Human Resources Department or external bodies). If the report is in relation to allegations which involves the Finance Director, it should be addressed to the Executive Director or the Board of Directors.

CBM Global understands that confidentiality is important to those who report on these types of sensitive issues and those who are potentially accused of such activities. The CBM Global investigation team will make all reasonable effort to ensure that their identities will be kept

confidential and no identifiable information will be shared beyond the investigation team, without the informed consent of the person concerned. CBM Global will ensure the complainant details (specifically any identifying information) are securely filed and only accessible to the CBM Global personnel handling case. The same is true for any accused person, particularly as long as allegations have not been proven and the disclosure is not required in the case any legal action needs to be taken.

## Responsibilities

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### 1) All CBM Global Staff, Board and Volunteers

Where staff or volunteers suspect that CBM Global funds or assets have been, are, or will be lost through supporting or financing terrorist activities or money laundering as defined above, they must report it to their line manager without delay. If it would be inappropriate to report to the line manager, they may report it to their line manager's manager. If they do not want to report it through the management line, they may report it directly to the Finance Director. If the report is in relation to allegations which involves the Finance Director, it should be addressed to the Executive Director or the Board of Directors.

Board members should report directly to the Finance Director.

### 2) All Managers

Where a manager receives a report of a suspicion, or they suspect supporting or financing terrorist activities or money laundering themselves, then they must report it without delay to the Finance Director.

Managers are responsible and accountable for managing the risk of supporting or financing terrorist activities or money laundering in their units. They may do this by:

- Ensuring that there are adequate, appropriate and robust internal controls in place and/or are upheld to make sure all funds are accounted for and spent in line with CBM Global guidelines;
- Keeping proper and adequate business and financial records for both the receipt and use of all funds together with audit trails of decisions made;
- Taking any necessary action to protect CBM Global funds;
- Acting responsibly and within the interests of CBM Global if a suspicion occurs;
- Ensuring that supporting or financing terrorist activities or money laundering is assessed and included in strategic risk management documents;
- Taking the lead in creating a culture which promotes CBM Global's values and Code of Conduct, with zero tolerance towards supporting or financing terrorism and money laundering

### 3) Country Finance Managers

In addition to the responsibilities of all managers, the Country Finance Managers should support all managers to make sure that the policy is understood.

### 4) Country Directors

Country Directors are responsible and accountable for managing the risk of supporting or financing terrorist activities or money laundering in their countries by:

- Gaining and maintaining staff confidence in the operation of reporting mechanisms;

- Ensuring that the risk of supporting or financing terrorist activities or money laundering is assessed and included in the country strategic risk management documents;
- Taking the lead in creating a counter terrorism & anti money laundering culture in their team;
- Supporting the Finance Director in actively managing and investigating reported cases in their countries;
- Ensuring all partners in their countries are aware of CBM Global's policy on counter terrorism & anti money laundering and its relevance to their relationship with CBM Global in keeping with CBM Global Code of Conduct and values and their obligations as outlined in project contracts;

## **5) CBM Global Partners**

It is the responsibility of partner organizations to:

- Have effective control procedures and policies in place to reduce the opportunity of supporting or financing terrorist activities or money laundering within their organizations.
- Report any suspected or confirmed supporting or financing terrorist activities or money laundering immediately (as required in the partner contracts with CBM Global).

## **CBM Global Disability Inclusion**

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