



ACFID submission to the Parliamentary Joint Committee on Intelligence and Security's inquiry into a "Review of the listing of Ansar Allah as a terrorist organisation under the Criminal Code."

The Australian Council for International Development (ACFID) welcomes the opportunity to make a submission to the Parliamentary Joint Committee on Intelligence and Security's inquiry into a "Review of the listing of Ansar Allah as a terrorist organisation under the Criminal Code. Ansar Allah may be referred to throughout this submission as the Houthis.

ACFID is the peak body for Australian Non-Government Organisations involved in international development and humanitarian action. For more information on this submission, please contact ACFID's humanitarian advisor, Naomi Brooks at nbrooks@acfid.asn.au

HUMANITARIAN CRISIS IN YEMEN

In 2024, over 18 million people are predicted to require humanitarian assistance in Yemen. According to the United Nations Office for the Coordination of Humanitarian Affairs:

*"Severe deterioration of economic conditions, extensive damage to civilian infrastructure, and the collapse of essential services are critical drivers of large-scale vulnerabilities and needs countrywide. 17.6 million people are facing food insecurity, and nearly half of all children under five suffer from moderate to severe stunting. 4.5 million people remain displaced, many of whom have experienced multiple displacements over several years."*¹

In its submission, the Attorney General's department acknowledges:

"The protracted conflict has had a devastating effect on Yemen, with the humanitarian situation being labelled by the United Nations (UN) as the world's 'worst humanitarian crisis,'

¹ <https://www.unocha.org/yemen>

“Yemen remains one of the world’s most dire humanitarian situations. Since 2017 Australia has provided humanitarian assistance to support the people of Yemen affected by the conflict. The worsening conditions are likely to impact the delivery of humanitarian assistance.”

ACFID notes that this reference to the humanitarian context does not consider the impacts of the Houthi’s being terrorist listed in relation to the provision of assistance.

UNINTENDED CONSEQUENCES OF THIS LISTING ON HUMANITARIAN ACCESS

Humanitarian organisations, in seeking to meet the needs of the most vulnerable, often operate in insecure environments which are not within government-control and recognisable rule of law. Such areas of operation are often subject to anti-money laundering, sanctions and counter-terrorism measures.

In these contexts, humanitarian organisations are committed to the principles of humanity, neutrality, impartiality and independence, which are enshrined in international law. These principles require humanitarian assistance to be delivered for the purpose **of alleviating human suffering on the basis of need without discrimination**, without taking sides in conflict and while maintaining autonomy from political, economic, military or other objectives.

Compliance with humanitarian principles is what enables humanitarian organisations to access hard to reach areas where, often, people are most in need.

Humanitarian work in sanctions-affected environments is also often impeded by private-sector de-risking. In seeking to mitigate the possibility running afoul of sanctions laws (which can be complex and difficult to interpret), banks and other private sector actors often restrict or refuse to provide services to humanitarian organisations. This also causes delay and blockages to the procurement and import of humanitarian supplies such as food and essential medicines.

The Committee would recall that in December 2022, the United Nations Security Council adopted Resolution 2664, which provides a cross-cutting humanitarian exemption to asset freezes under all UN sanctions regimes to safeguard the timely and effective conduct of humanitarian activities. Since Resolution 2664 was passed, the European Union (EU) and certain UN Member States, including the United Kingdom (UK), the United States (US) and Canada, have taken steps to implement the UN humanitarian exemption and adopt humanitarian carve-outs in their autonomous sanctions regimes and CTF legislation.

As stated by an ACFID member programming in Yemen,

“A humanitarian exemption would benefit the program through enabling essential support for communities in WASH, Health, Agriculture and Livelihoods to be provided without jeopardising local level relationships or adding to the risk to program staff or to the projects as a whole.

In WASH, Health, Agriculture and Livelihoods projects relationships and cooperation with the government (Houthi) are necessary to enable project approvals to be provided and to enable the smooth running of activities.”

MEASURES UNDERTAKEN BY ACFID MEMBERS

The ACFID Code of Conduct requires members to have policies, procedures and guidance documents across all of their practice and includes those that address risk management and control, financial wrongdoing (including terrorism financing and money laundering), vetting organisations and individuals they fund against proscribed terrorist listings and appropriate and effective internal controls. Members are expected to act in accordance with their policies. They are also required to extend the Code’s financial wrongdoing requirements to partners. Members are expected to apply the ACFID guidance on how to develop a financial wrongdoing policy.

The Code also requires members to undertake due diligence and capacity assessments of partners including partners’ capacities to manage funds and vetting of partners against proscribed terrorist listings. The ACFID Code has a number of other associated requirements that complement the financial wrongdoing requirements, such as for complaints handling mechanisms and for whistleblowing.

Organisations that have undergone DFAT Accreditation of Australian NGOs, under the Australian NGO Cooperation Program, have also been through a rigorous front end risk management process that provides DFAT and the Australian public with confidence that the Australian Government is funding professional, well-managed organisations that are capable of delivering quality development outcomes and are accountable to their stakeholders. Once accredited an organisation must be re-accredited at least once in every five years to continue participation in the program.

RECOMMENDATIONS

Considering the issues outlined above, ACFID submits that the Committee recommend:

Recommendation 1: That the Australian Government provide a humanitarian exemption within this listing.

In lieu of this, that the Committee recommend:

Recommendation 2: That advice be provided to humanitarian organisations operating in Houthi controlled areas, which clarifies the direct impact of this listing on Australian NGOs.

Recommendation 3: That when the Attorney General considers terrorist listings, the impact of the listing on the ability of Australian humanitarian organisations to provide assistance to civilian populations is considered as a matter of priority, and that exemptions for the provision of humanitarian assistance are included in future listings.

Recommendation 4: That the Australian Government implement a standing humanitarian exemption into all sanctions and counter-terrorism frameworks to ensure that there are no unintended consequences on the provision of assistance to the civilian population.

About ACFID

The Australian Council for International Development (ACFID) is the peak body for Australian non-government organisations involved in international development and humanitarian action.

OUR VISION

Our vision is Australia acting with compassion and fairness for a just, sustainable and equitable world.

OUR SHARED PURPOSE

Our purpose is to lead, unite and support international development and humanitarian organisations to realise our vision.

ABOUT ACFID

Founded in 1965, ACFID currently has 129 full members and 21 affiliate members operating in more than 85 developing countries. The total revenue raised by ACFID's membership from all sources amounts to \$1.89 billion (2021 - 22), \$773 million of which is raised from over 1.14 million Australians. ACFID's members range between large Australian multi-sectoral organisations that are linked to international federations of NGOs, to agencies with specialised thematic expertise, and smaller community-based groups, with a mix of secular and faith-based organisations.

ACFID members must comply with the ACFID Code of Conduct, a voluntary, self-regulatory sector code of good practice that aims to improve international development and humanitarian action outcomes and increase stakeholder trust by enhancing the transparency, accountability and effectiveness of signatory organisations. Covering 9 Quality Principles, 33 Commitments and 92 compliance indicators, the Code sets good standards for program effectiveness, fundraising, governance and financial reporting. Compliance

includes annual reporting and checks. The Code has an independent complaint handling process.

ACFID'S VALUES

INTEGRITY

We act with honesty and are guided by ethical and moral principles in all that we do.

ACCOUNTABILITY

We take responsibility for our actions and are accountable to our stakeholders, and in particular primary stakeholders, for our performance and integrity.

TRANSPARENCY

We openly share information about our organisations and our work with all our stakeholders and the public.

RESPECT

We recognise the value and diversity of all people and are committed to treating others with due regard for their rights, dignity and integrity.

EFFECTIVENESS

We strive to deliver outcomes that bring about positive change in the lives of people living in poverty.

EQUITY

We are committed to overcoming prejudices and disadvantage and promoting fair and just access to resources and opportunities.

COOPERATION

We work with and alongside others in a spirit of mutuality, respecting diversity and difference in the pursuit of common goals.

