

# Protect your charity from terrorist abuse

## Understand the risks, take a risk-based approach

### Charities can be vulnerable to terrorist abuse

Charities may find themselves in situations where they are at risk of being abused to support terrorist activities, either directly or indirectly. Charities should be aware of their risk environment to avoid damage to their reputation and impact to their charitable registration.

An organization will not be considered charitable at law if its purposes or activities are illegal or contrary to public policy. This includes the support of terrorism, either directly or indirectly.

### Identify your charity's risks of abuse

Your charity faces increased risk of terrorist abuse if it:

- operates in a conflict area where a terrorist threat is present
- fundraises in an area or community that might be targeted by terrorists
- works with people targeted by a terrorist movement

### Examples of how charities can be abused

- A charity gives or receives funds from a terrorist group
- Funds are moved through several organizations to hide the goal of financing terrorism
- A crowd-funding campaign using a charity's name is used to divert funds to support a radical group

### Understand your responsibilities as a director/trustee

- Ensure resources are used to further charitable purposes and activities
- Investigate any incidents that suggest your charity's property may have been mishandled
- Report any concerns to other board members or appropriate authorities
- Implement strong record-keeping practices
- Exercise due diligence over your charity's affairs

### Charities can be indirectly involved

Charities might indirectly involve themselves by engaging with other organizations without being aware of that party's involvement in supporting terrorism.

In the example below, Organization A may not be aware of an organization's involvement in terrorism and is therefore indirectly involved through their association with Organization B.



### Take steps to reduce risks to your charity



Keep your staff informed about risks of terrorist abuse



Know your donors, beneficiaries and people you work with



Know how your resources and equipment are being used



Establish procedures to prevent the support of terrorism



Implement internal financial controls and oversight measures



Know how other organizations are using your charity's resources

### For more information:

Go to [Canada.ca/charities-giving](https://Canada.ca/charities-giving) or contact us at 1-800-267-2384 if you have any questions



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