

Palestinian Territories - UAWC

Is AusAID satisfied that its funding of the Union of Agricultural Work Committees (UAWC) has not resulted in a breach of the UN Charter Act given the clear links between UAWC and a terrorist organisation, the PFLP?

- Yes, AusAID is satisfied that:
 - **Appropriate due diligence systems are in place** to ensure that AusAID funds made available to the Union of Agricultural Work Committees (UAWC) through World Vision are used only for agreed development activities to address chronic food insecurity and unemployment in Gaza.
 - There is **no evidence** to support claims that AusAID funding of UAWC through World Vision has been in breach of the UN Charter Act.
- **The Government of Israel does not consider UAWC to be a terrorist entity and has registered the Jerusalem-based office of UAWC as a not-for-profit organisation since 1996.**
 - Information confirming this registration is publicly available at the Israel Ministry of Justice website.
- **Other multilateral, bilateral and non-government donors work with the UAWC and attest to its established reputation for delivering effective agricultural development.**

How can AusAID maintain that there are no links to terrorism in its funding of UAWC when key members of UAWC are also members of the Popular Front for the Liberation of Palestine?

- The UN Charter Act prohibits the 'direct or indirect' provision of assets to a 'proscribed person or entity'.
 - **None of the individuals referred to by Shurat HaDin as UAWC board members are proscribed.**
 - **UAWC is not listed as a proscribed entity.** It would not be made one simply by virtue of individual members of the UAWC board also being members of the PFLP.
- **None of the linkages** alleged by Shurat HaDin demonstrate that:
 - PFLP as an organisation has control of UAWC's assets, or
 - AusAID funding made available to UAWC has been used for anything other than agreed development activities.
- These issues were thoroughly examined in May this year by AusAID in consultation with other agencies including the Australian Federal Police, the Australian Security Intelligence Organisation and DFAT.
- Taking into account the thorough nature of AusAID's examination and advice from the Australian Government Solicitor that no offence has been identified, the AFP advised that it would not accept this matter for further investigation.

Isn't there indisputable evidence UAWC office bearers have extensive links to PFLP, a proscribed terrorist organisation?

- Allegations that five UAWC board members were also members of PFLP were examined by AusAID and World Vision in April/May 2012.
- AusAID understands three past Board members named by Shurat HaDin appear to have had an association with PFLP; but **none of these individuals are currently on UAWC's Board and none have been involved in the management of AusAID's funding.**
- In two other cases, **claims that the individuals were PFLP members**

<p>Have UAWC staff members been arrested for their involvement in terrorist activities?</p>	<p>were not substantiated.</p> <ul style="list-style-type: none"> • Shurat HaDin alleged through a social media website that a number of UAWC staff have been arrested by Israeli authorities for involvement in terrorism. <ul style="list-style-type: none"> – The allegations cited a UAWC press release which expressed concern over unjust arrests. – The press release contained no evidence of the involvement of UAWC staff in terrorism. • UAWC advises that those arrested have either been released without charge or remain in administrative detention without charge.
<p>Is AusAID satisfied that the Union of Agricultural Work Committees and the Committee of Agricultural Work are actually one and the same organisation?</p>	<ul style="list-style-type: none"> • Yes, the registration with the Government of Israel of the Jerusalem branch of the Union of Agricultural Work Committees is under the name, Committee of Agricultural Work. Both names refer to one organisation. <ul style="list-style-type: none"> – This registration has been in place since 1996. • Thorough due diligence was undertaken by World Vision and officers of AusAID and DFAT to confirm UAWC’s registration arrangements. This due diligence included: <ul style="list-style-type: none"> – a review of hardcopy registration receipts and other registration documentation and online searches at the Israel Ministry of Justice website, conducted by AusAID and DFAT officers, including with the assistance of native Arabic and Hebrew speakers – examination and translation of registration documents, and – translation of current registration receipts and online information. • The name on the registration receipts provided by UAWC and the name of the organisation with the corresponding corporation number on the website of the Corporations Authority of the Israeli Ministry of Justice can be transliterated as: <p>‘Lajnet El-amal Ez-zirai’ (pron. Larj-net Al-eye-mel Az-ear-eye-ee).</p> • These words have no meaning in either Hebrew or English as they are Arabic words. Literally translated, they mean ‘Committee of Agricultural Work’. • The Israeli Government’s registration of UAWC relates to UAWC’s Jerusalem-based Committee of Agricultural Work. <ul style="list-style-type: none"> – Since 1996 the “Committee of Agricultural Work” has been the formally registered name for the Union of Agricultural Work Committees (UAWC) on the registry of the Israeli Corporations Authority. • UAWC is a union of a number of Committees of Agricultural Work. Other committees are based in the West Bank and in Gaza. • An affidavit from the Chairman of the Committee of Agricultural Work (Khalid Hidmi) confirms that the Committee is UAWC’s office in Jerusalem and was registered in this name at the request

of the Israeli authorities in 1996.

- Khalid Hidmi has been the Chairman of the Committee of Agricultural Work since its foundation, and also the General Director of UAWC since 1991.

Has Shurat HaDin provided World Vision with new information in a 7 October letter and dossier that confirms the control of UAWC by convicted terrorists?

- On 27 September 2012, Tim Costello wrote to Shurat HaDin to dispute allegations it had been making about UAWC since February 2012.
- On 7 October, Shurat HaDin (through its lawyer, Andrew Hamilton), responded to Costello's letter.
- In the letter, Shurat HaDin:
 - Repeated its claim that UAWC and CAW are separate organisations with separate boards and directors.
 - Repeated its February 2012 assertion that 'UAWC was established by, is controlled by, shares assets with and operated in concert with the PFLP'.
 - The letter was accompanied by a dossier of material allegedly supporting Shurat HaDin's claims.
- In April/May this year, the same dossier was thoroughly examined by AusAID as part of its detailed examination of Shurat HaDin's allegations.
- The 7 October Shurat HaDin letter included a threat to commence legal proceedings in the Federal Court seeking a declaration that AusAID funding to UAWC provided through World Vision is in breach of the UN Charter Act.
 - The dossier of material from Shurat HaDin has been previously examined thoroughly by AusAID
 - **Nothing contained in the dossier or Shurat HaDin's 7 October letter to World Vision alters the conclusion of AusAID's previous examination of Shurat HaDin's allegations - namely, that there is no evidence to support a claim that funding of UAWC is in violation of the UN Charter Act.**
- The 7 October letter also threatens legal action against public servants for misleading and deceptive conduct.
 - The letter does not specify what conduct has been misleading, but it is assumed this refers to statements that UAWC has been registered with the Israeli Authorities.
 - **AusAID is satisfied that the Jerusalem-based branch of UAWC has been registered with the Israeli Government since 1996.**
 - **Nothing contained in the letter disproves this conclusion.**
- Shurat HaDin has since agreed to postpone commencement of legal proceedings against World Vision.

Why didn't AusAID share Shurat HaDin's dossier with World Vision?

- Shurat HaDin had claimed in correspondence sent by email to AusAID on 22 March 2012 that it possessed a dossier of evidence to support its claims.
- The 22 March letter stated that *"we [Shurat HaDin] will provide the complete dossier including actual web links to the source material and associated non-internet documents once we are assured that they will be held confidentially by AusAID"*.
- AusAID wrote to Shurat HaDin on 2 April requesting a copy of the dossier so it could be assessed. AusAID stated that it might need to engage with organisations *"external to the Commonwealth in order to confirm the veracity and currency of the information and its significance"*, and so requested Shurat HaDin *"reconsider the request for an absolute confidentiality guarantee and advise [AusAID] of the terms of access that would be acceptable"*.
 - In response, Shurat HaDin emailed AusAID on 4 April 2012 stating it was *"happy to release the dossier of evidence to AusAID under AusAID's standard two way confidentiality agreement"*.
- AusAID responded to Shurat HaDin on 11 April advising:

"AusAID does not have a standard two-way confidentiality agreement suitable for this situation. The limits to AusAID's ability to provide a confidentiality guarantee are set out in our letter to you of 2 April 2012. Our understanding is that your concerns are primarily focussed on the possibility of AusAID alerting persons who control online resources referred to in your dossier and having these resources removed. As far as reasonably possible and within the other limitations referred to in our letter of 2 April 2012, AusAID can confirm that it would refrain from taking such actions".
- AusAID determined during its assessment of Shurat HaDin's dossier that it could conduct a thorough assessment of its content without providing the whole document to World Vision.
 - AusAID was therefore able to comply with Shurat HaDin's original request for maintaining two-way confidentiality in relation to the dossier.

Is AusAID concerned that the former President of UAWC, Bashir al-Khairi, has publicly stated his commitment to the destruction of Israel?

- **Bashir al-Khairi is no longer the President of the UAWC.**
 - Nothing in the material provided by Shurat HaDin changes AusAID's conclusion that there is no evidence to support claims of a violation of the UN Charter Act.

Is UAWC actively involved in violent protests and what is AusAID's view regarding the evidence provided of these activities?

- No evidence of the involvement of UAWC staff in violent protests has been brought to AusAID's attention.

What is the AusAID protocol for reviewing the office bearers of partner organisations to ensure they do not have terrorist links? [*Senator Kroger asked AusAID to respond to this question in May SBE. The Committee did not provide it as a formal written QoN, as such no response has been drafted or tabled.*]

- **AusAID's policies and procedures for due diligence processes** in environments where there is an increased risk of terrorism links are set out in: 'Guidelines for Strengthening Counter-Terrorism Measures in the Australian Aid Program'.
- Under these guidelines:
 - Organisations **must use their 'best endeavours' to comply** with Australia's counter-terrorism legislation under the UN Charter Act and Australian Criminal Code; namely, that they must not "directly or indirectly make any asset available to a proscribed person or entity".
 - Under AusAID grant arrangements **AusAID partners, including World Vision, conduct vetting of third party contractors.**
- **AusAID confirmed World Vision implemented vetting procedures** to ensure it is in compliance with the terms of its grant agreement with AusAID. World Vision has **formally vetted UAWC four times** since 2005. World Vision's current arrangements include:
 - Confirming UAWC's valid registration
 - Regular meetings with UAWC staff
 - Checking identity documents of all staff involved in the management of the grant
 - Obtaining references from other organisations where these are available, and
 - Regularly inspecting project sites and monitoring development activities.
- During the project design phase:
 - World Vision examined records of previous World Vision Jerusalem work with UAWC to ensure it had a track record and capabilities to deliver aid according to AusAID's expectations.
 - World Vision checked UAWC's capacity, capability, reputation and anti-discrimination stance.
 - Previous UAWC Board minutes were also reviewed, as well as annual and financial reports.
 - World Vision also vetted UAWC board members using the Watchdog Plus due diligence software. This software enables checking of office bearers and staff against 12 criminal and anti-terrorism lists, including DFAT's consolidated list of proscribed entities under the UN Charter Act.
 - World Vision also checked UAWC's constitution to ensure it does not promote any kind of terrorist actions or other inappropriate political activity.

How did AusAID examine the Shurat HaDin allegations?

- In response to the allegations made by Shurat HaDin, AusAID:
 - Reviewed all material provided by Shurat HaDin between February and April 2012.
 - Sought legal advice from the **Australian Government Solicitor (AGS)** on whether there had been a breach of the UN Charter Act by virtue of AusAID's funding of UAWC through World Vision

Australia.

- Consulted with **DFAT Sanctions and Transnational Crime (STC)** Section to identify whether UAWC or its board members are listed as proscribed entities under the UN Charter Act.
- Consulted with the **Australian Federal Police and the Australian Security and Intelligence Organisation.**
- **Carried out a monitoring visit** to the World Vision office in Gaza which included a review of due diligence processes and a spot check of the application of financial controls.
- **Consulted with a number of governments and organisations** who provide funds to or work with the UAWC, including:
 - The Governments of the Netherlands, Italy, France and Spain and organisations including The European Union, the United Nations Development Program, UNRWA, Action Against Hunger, the Young Men's Christian Association, Oxfam and Norwegian People's Aid.
- Reviewed relevant reporting and financial controls in consultation with AusAID's Chief Auditor.
- Confirmed through DFAT that the Government of Israel does not consider UAWC to be a terrorist entity and that the **UAWC is not proscribed by the Government of Israel.**
- Confirmed UAWC's registration as a not-for-profit organisation with the Israeli Ministry of Justice.

What assurances can be provided that AusAID's due diligence mechanisms for World Vision's work with UAWC are ensuring Australian funds are being used for the purposes intended?

- The AusAID Chief Auditor assessed that:
 - The World Vision - UAWC due diligence arrangements include a **comprehensive set of financial oversight mechanisms** aimed at ensuring that funds are only used for the purposes for which they were provided.
 - These were designed with the underlying high risk context of the Palestinian Territories in mind.
- These arrangements include the following:
 - **UAWC must supply detailed quarterly cash flow projections** broken down by month. World Vision then provides monthly funds based on the approved cash flow.
 - All purchases over \$1,000 USD need to go through a bidding committee and **any purchases over \$10,000 USD have to be tendered.** World Vision's Finance Officer and/or Project Manager are to be part of the bidding committee.
 - **UAWC must provide a detailed monthly financial acquittal report** and all supporting transaction documentation for the previous month (by the 4th) before World Vision release the next month's funding (on the 5th). Deductions can be made for unspent funding or interest earned from prior months.
 - **World Vision can stop or cancel payments under these arrangements** if any of the Projects' purchases or assets are misappropriated.

- In the event of any misappropriation of funds World Vision has the **right to demand reimbursement** of all of the aid granted under the arrangements.

Record-keeping

- All contracts related to staff assigned to the project must be provided to World Vision, and **monthly labour distribution reports** must also be provided.
- **Separate financial records and cashbooks must be maintained** for Project funds.
- A **consolidated financial acquittal** statement must be submitted at the end of the project.
- **UAWC must document the management of project funds**, and maintain sound financial and project management systems and internal controls able to substantiate all declarations of expenditure.

How much has AusAID provided to UAWC (through World Vision) and over what time period?

- AusAID provided approximately \$1.68 million to UAWC through World Vision over the period 2005-06 to 2011-12.

AMENCA Phase One	
05-06 Total	AUS55,955.79
06-07 Total	AUS76,494.81
07-08 Total	AUS13,586.50
09-10 Total	AUS30,054.43
AMENCA Phase Two	
10-11 Total	AUS868,543.37
11-12 Total	AUS637,963.63
TOTAL	AUS1,682,598.53*

- World Vision was provided a total of \$1,089,243 on 7 June 2012 to implement Palestinian Territories development activities in the 2012-13 financial year. This money includes funding for UAWC activities and other projects delivered directly by World Vision Jerusalem.
- Disbursements to, and expenditure by UAWC from this amount (\$1.08 million), will be reported to AusAID in April/May 2013 as part of World Vision's yearly financial acquittal. It is expected that an estimated \$600,000 of this amount will be provided to UAWC.
- AusAID is scheduled to make a further payment to World Vision in April 2013 for activities to be implemented in 2013-14. This will be the fifth and final payment to World Vision for the AMENCA five-year NGO development program in the Palestinian Territories. The precise budget for 2013-14 activities is yet to be determined.

What have UAWC projects achieved?

- Disbursements to UAWC increased in financial years 2010-12.
 - **AMENCA Phase One (2006-2010)** focussed on lifting UAWC's capacity through training programs, education and organisational development.
 - **AMENCA Phase Two (2010-2012)** was based on a new project design that included increased direct inputs into agricultural development activities and support for farmers.

- Phase Two activities had higher implementation costs. This explains the substantially increased budget.
- AusAID assistance is focused on developing agriculture in Gaza, an area that experiences chronic food insecurity.
- According to the UN, nearly half of all Gazans lack basic daily food requirements and about 80 per cent are aid recipients.
- Current programs and their results include:
 - Greenhouse seedling production of tomato, zucchini, cucumber and beans.
 - **Access to seeds and seedlings** is hampered by the effects of the Israeli security blockade. Seedling production will help Palestinian farmers generate stock required to sustain the planting of crops over successive seasons.
 - The project is directly benefiting up to 1 180 poor and vulnerable households (8 260 individuals).
 - **Land rehabilitation** - the clearing of non-productive materials, land stabilisation and enrichment using organic fertilisation methods to increase agricultural production.
 - 10.8 hectares (26 acres) of land has been planted to produce oranges, lemons, grapefruits and peaches for local markets.
 - **Supporting 38 Palestinian women** to increase their home farm management skills to boost production of fruit and vegetables (mainly tomatoes, herbs, goats and rabbits) to be sold within their local communities.
 - **Rehabilitation of irrigation networks.**
 - 15 farmers have benefited from the rehabilitation of irrigation networks and replacement of out-dated, inefficient and poor quality irrigation systems (open, large channels).
 - The new methods use drip irrigation technology and are a more sustainable use of water resources in an arid climate.

Background

Initial Allegations

AusAID and World Vision received a letter from Shurat HaDin (the Israel Law Center) on 15 February 2012, advising AusAID and World Vision that Australia's funding of UAWC was in violation of the Charter of the United Nations Act (1945). On 28 February, following an examination of Shurat HaDin's claims (in consultation with DFAT and ASIO), AusAID found no evidence of a violation of the UN Charter Act.

Recent Criticisms

In response to further Shurat HaDin allegations in March and April 2012, AusAID confirmed through further examination conducted in consultation with DFAT, the Australian Government Solicitor, ASIO and the AFP, that there was no evidence of a breach of the UN Charter Act as a result of AusAID funding of UAWC-implemented activities through World Vision.

Senator Carr issued a media release on 31 May 2012 outlining the results of AusAID's examination of the material provided by Shurat HaDin.

On 23 August 2012, Senator Abetz asked a parliamentary question about

due diligence processes to establish that UAWC was registered in Israel. A response to Senator Abetz's question is currently being prepared.

On 28 August 2012, an individual (Yusef Hartov) running a social media website called 'Love of the Land', published new claims by Shurat HaDin that:

'the organization [*AusAID and World Vision*] claim is registered in Israel is not the UAWC but a different charity with a similar sounding name - the Committee of Agricultural Work (CAW). CAW and the UAWC, which AusAID believes is one and the same, have very similar names but were founded ten years apart, all while having a totally different board of directors. One is indeed registered in Israel and the other is indeed an instrument of the PFLP'.

The article also alleges that:

'UAWC put out press releases complaining that Israel's security services recently raided their offices in Jericho and arrested staff members for their involvement in terrorism'.

UAWC registration documents

AusAID first obtained translations of UAWC registration documents on 23 February 2012 as part of its initial examination of the Shurat HaDin claims.

On 23 February 2012, native Arabic and Hebrew speakers at the Australian Embassy in Tel Aviv reviewed UAWC registration receipts and online information at the Israel Ministry of Justice website and confirmed UAWC had a valid registration with the Government of Israel.

Later, on 6 September 2012, with the assistance of DFAT Tel Aviv, AusAID obtained notarial translations of UAWC registration documents by an Israel law firm, Livnat, Mayer & Co. This firm had AusAID's authorisation to use original documents from the Israeli Ministry of Justice, Corporations Authority as the basis for the translations. They were also provided copies of UAWC registration documents held by AusAID.

On 19 September, Khalid Hidmi (UAWC's General Director), provided an affidavit declaring:

- He had been the chairman of the Committee of Agricultural Work, registered in 1996, since its foundation.
- This committee is the Jerusalem office of the Union of Agricultural Work Committees of which Hidmi has been General Director since 1991.
- He made clear to Israeli authorities at the time of registration that the Committee was UAWC's office in Jerusalem.
- He originally sought to register the Committee in the name of UAWC but at the request of Israeli Authorities instead registered it in the name of the Committee of Agricultural Work.

Hidmi's affidavit was witnessed by Russell D. Mayer of Livnat, Mayer

and Co.

Livnat, Mayer & Co. (Attorneys At Law of Jerusalem Technology Park, Israel) represent embassies in relation to labour relations issues for locally engaged staff, real estate transactions involving chancery/consular space, leases for diplomatic and other consular personnel, litigation matters and the provision of general legal advice for foreign embassies in Israel. In addition to providing services to the Australian High Commission Tel Aviv, the firm has appeared on behalf of the Canadian Government before the Israel Supreme Court in a case involving sovereign immunity. Livnat, Mayer & Co. has a website at www.livmaylaw.co.il/www/default.asp.

Allegations against Board members

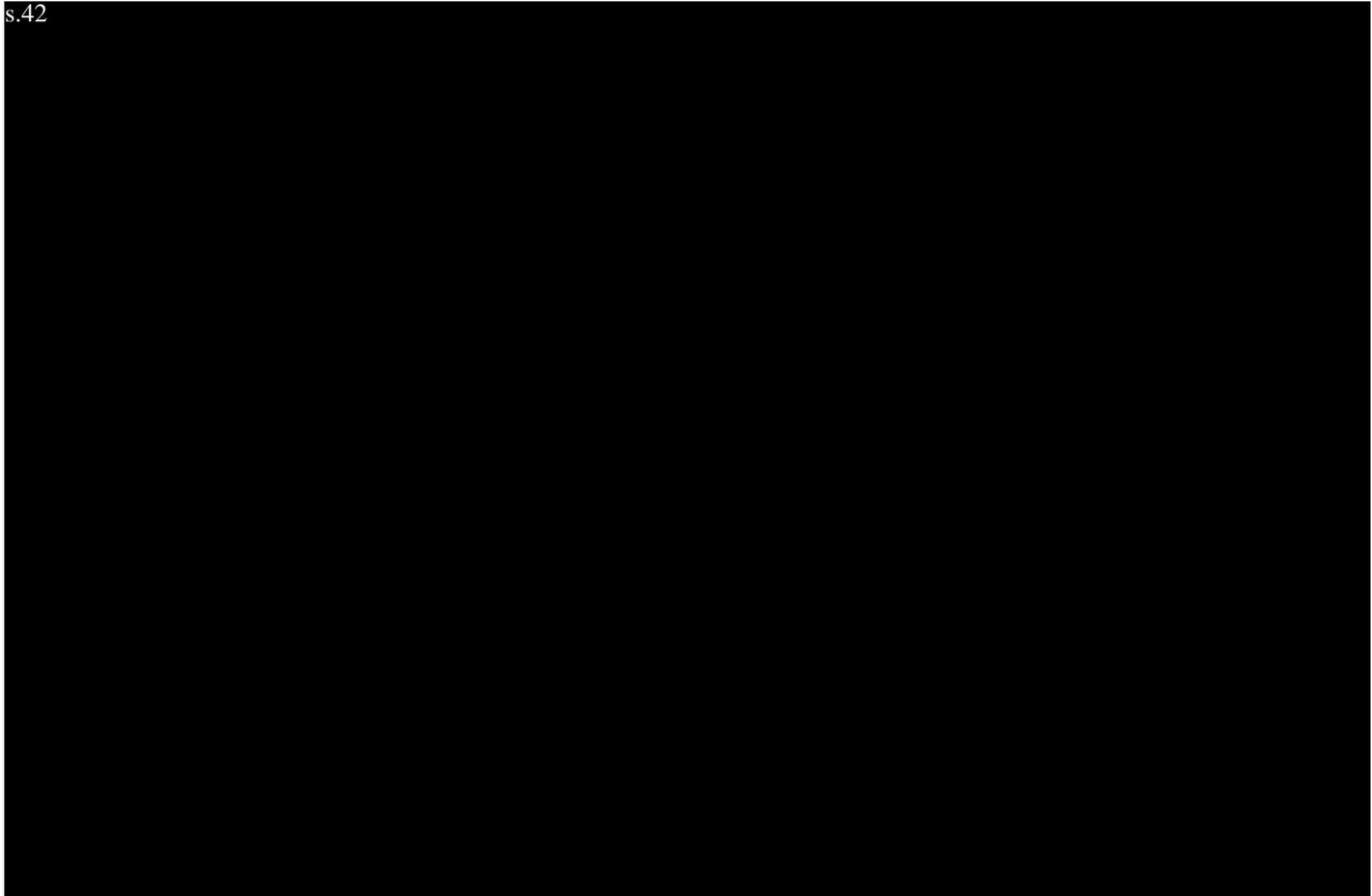
Shurat HaDin alleged that five UAWC Board members have extensive links to the PFLP.

- **Bashir al-Khairi** is no longer the President of the UAWC.
 - World Vision advised AusAID that al-Khairi is a past President of the Board of UAWC, who resigned in 2011 from that position. According to World Vision, al-Khairi has never had direct involvement in AusAID-funded development activities in Gaza.
 - World Vision has acknowledged that Bashir al-Khairi is a PFLP member who was convicted of terrorist offences in 1969 and gaoled for 15 years. World Vision advises that they know of no allegation of him ever using UAWC or its assets to further the work of PFLP.
- World Vision advise that **Razeq al Barghouti** is not currently on the Board of the UAWC.
 - World Vision advised AusAID that al-Barghouti is a past Treasurer of the West Bank Board of the UAWC, who ceased that position in 2011. World Vision advises that he has had no involvement in AusAID-funded development activities in Gaza.
 - World Vision has acknowledged that al-Barghouti is associated with PFLP but advise that they have been unable to discover any evidence of him using his involvement in UAWC to assist the work of PFLP.
- **Faysal Kalafallah** is deceased. Kalafallah was a member of UAWC's Gaza Board between 2007 and 2011.
 - s.45 
 - AusAID is not aware of any evidence to suggest that this individual used his position on the UAWC Gaza Board to assist PFLP.
- UAWC and World Vision have advised AusAID that an individual named **Jamil Ahmad Khalil Ismail**, has been the President of the UAWC Gaza Board since 2007 and currently holds that position.
 - World Vision has advised AusAID that this UAWC Board member is not the same person as **Jamil Muhammad Ismail al-Majdalawi** who is alleged by Shurat HaDin to be a prominent member of the PFLP.
 - UAWC and World Vision maintain that Shurat HaDin has mistaken the identity of this individual.
- Shurat HaDin has alleged that an individual named **Tagreed Joma'a** attended a launch of the PLFP "feminist" association and is a PFLP

central committee member. World Vision has advised that an individual named Tagreed Joma'a is currently on the Gaza Board of UAWC and has held that position since 2007.

- A single reference to an individual by this name was provided to AusAID by Shurat HaDin in its April 2012 dossier. The dossier cites an online Arabic language article at the PFLP website which states that Tagreed Joma'a attended the PFLP event.
- UAWC and World Vision have been unable to corroborate the allegation that Tagreed Joma'a is a PFLP member. World Vision has requested Shurat HaDin provide evidence to support this claim.

s.42



UAWC governance arrangements

World Vision has advised AusAID that UAWC West Bank & Gaza have separate boards, an arrangement implemented in 2007 and necessary in order to adapt to the physical separation between the two regions. The UAWC general assembly remained unified but a separate board made up of 6 members has been running the operations in Gaza. The UAWC Gaza Board has administrative and decision making control of UAWC Gaza's development activities.

Several UAWC documents (including the UAWC 2009 Annual Report and the June 2011 UAWC Strategic Plan, available online), contain reference to joint West Bank and Gaza board activities and the role of the UAWC President as leader of both UAWC branches. Consequently, while UAWC has separate Boards because of the physical separation between West Bank and Gaza, these documents indicate that the Boards

are not completely separate entities. Furthermore, individual West Bank Board members are likely to have some connection with their counterparts in Gaza.

Allegations of UAWC staff arrests for terrorism

AusAID has examined allegations that UAWC staff were recently arrested for involvement in terrorism. On 28 August 2012, an individual (Yusef Hartov) running a social media website called 'Love of the Land', published claims by Shurat HaDin that several UAWC staff members (including senior office bearers) had been arrested for involvement in terrorism. The article based this allegation on a separate article published by UAWC which criticised the arrests of UAWC staff because the arrests were conducted without charge under Israel's Administrative Detention laws. The social media website in question has provided no evidence the individuals named in the UAWC article have ever been involved in terrorism.

s.47F



Israel's Administrative Detention laws have been criticised by Amnesty International.

- Amnesty International ['Starved of Justice: Palestinians Detained Without Trial by Israel'], identifies that administrative detention is applied under Israeli Military Order 1651 which came into effect on 2 May 2010.

Amnesty International has been critical of Military Order 1651 because:

- Detainees are entitled to legal counsel and can appeal to a military judge, but neither the lawyer nor the detainee is informed of the details of the evidence against them and may not even be told of the specific allegations.
- The administrative detention order can be extended indefinitely without charge.
- None of the staff identified in the UAWC press release as having been arrested and placed under administrative detention have been charged as a result of those arrests.

Tim Costello Letter to Shurat HaDin

On 27 September 2012, Rev. Tim Costello wrote to Shurat HaDin regarding its allegations. The letter challenges an allegation raised through the media that World Vision and Tim Costello have been

previously involved in anti-Israel issues in the Palestinian Territories. Costello disputes Shurat HaDin's claim World Vision has been funding an arm of the Popular Front for the Liberation of Palestine (PFLP), a proscribed terrorist entity. He explains the registration of UAWC, and affirms that the Committee of Agricultural Work is not a separate organisation. Costello also asserts that the author of a US government report (May, 1993) on the history and status of political affiliations in the Palestinian Territories does not agree that 'the PFLP is currently the controlling hand of UAWC'.

Costello clarifies World Vision's views on the five Board members accused of having PFLP connection and disputes Shurat HaDin's claim that a UAWC hall was used for a PFLP celebration. He acknowledges that a former President of UAWC's Board of Directors, Bashir al-Khairi, served 15 years in prison for involvement in terrorist activity in 1969. He also acknowledges the known association of another previous Board member, Razaq al-Barghouti, with PFLP. In the case of both these Board members, Costello notes that there is no evidence of them using UAWC or its assets to support the work of PFLP.

Shurat HaDin's Response
to Costello's 27 September
Letter

On 7 October 2012, Shurat HaDin (through its lawyer, Andrew Hamilton) responded to Costello's letter repeating its claim that UAWC and CAW are separate organisations with separate boards and directors. Hamilton also repeated its February 2012 assertion that 'UAWC was established by, is controlled by, shares assets with and operated in concert with the PFLP'. Shurat HaDin also provided World Vision a dossier of information allegedly supporting its claims. The same dossier was provided to AusAID by Shurat HaDin on 12 April 2012 on condition that AusAID agreed to keep the document and its contents confidential. The 7 October Surat HaDin letter also includes a threat to commence legal proceedings in the Federal Court seeking a declaration that funding to UAWC is in breach of the UN Charter Act. The letter also threatens legal action against public servants for misleading and deceptive conduct.

On 8 October, AusAID received an enquiry from the Israeli newspaper, Haaretz (Dan Goldberg), requesting information from AusAID on UAWC funding since 2005, and repeating that Shurat HaDin would launch legal action in the Federal Court unless funding to UAWC was ceased. Haaretz also sought a rebuttal from AusAID of Shurat HaDin's claims.

AusAID media responded to the enquiry by informing Haaretz that allegations from Shurat HaDin that funding of UAWC through World Vision is in breach of Australia's counter terrorism laws have been thoroughly examined earlier this year by AusAID and other Australian Government agencies and that this examination concluded that there was no evidence to support Shurat HaDin's allegations. AusAID also advised that the Jerusalem office of UAWC was registered in Israel in the name of the Committee of Agricultural Work, at the request of the Israeli authorities.

Australian Media on
Costello's Letter

A separate article was published in the online Australian Jewish News on 11 October 2012 (Gareth Narunsky) which stated that Shurat HaDin

has now given World Vision Australia until 15 October to stop funding the UAWC before it commences proceedings in the Federal Court for breaches of the Charter of the United Nations Act 1945, as well as claims for misleading and deceptive conduct. Shurat HaDin indicated '[World Vision] had six months to research this properly themselves and to find actual evidence, and they've just come back with incorrect assumptions, assertions and a failure to find things that I found in a week'. AusAID has assessed that the article provides no new evidence or allegations that support Shurat HaDin's claims.

s.45

15 October Meeting
between representatives of
World Vision and Akiva
Hamilton of Shurat HaDin

On 15 October 2012, Akiva Hamilton of Shurat HaDin met Professor Tim McCormack, advisor to World Vision, and World Vision's General Counsel, Ms Seak-King Huang. A media release from the meeting (provided by the Executive Council of Australian Jewry), indicated that *"several ideas were put forward with a view to achieving a resolution of the issues. The parties agreed to consider the issues in good faith in further detail and to communicate with one another again once they have done so"*. Shurat HaDin agreed to postpone the litigation it had threatened and both parties agreed to refrain from further public comment on the matter while these issues were under further consideration.

General Background

UAWC has an annual budget of close to US\$9 million and works with OXFAM - Great Britain, OXFAM - Italy, OXFAM -Belgium, UNDP, Norwegian People's Aid, FAO, the Japanese Government, the Government of the Netherlands, the European Union, Catholic Relief Services and Save the Children.

World Vision's work with UAWC is directed at agricultural development in Gaza, an area that experiences chronic food insecurity and unemployment.

- A review conducted in 2007 noted the program provided an appropriate mechanism and a longer term development perspective to balance humanitarian and emergency assistance provided through UN agencies and international NGOs.

UNCLASSIFIED

- The current (2nd) phase of the Australian Middle East NGO Cooperation Agreement (AMENCA) program (2008-13) was approved by former Foreign Minister Downer on 11 September 2007.
- In approving the extension of the AMENCA program Minister Downer was made aware of the risks involved in supporting development in this region, including ongoing insecurity, suitability of delivery partners selected by Australian NGOs, and potential links with terrorist organisations.

AusAID has provided \$6.09m to World Vision Australia under two phases of the AMENCA program since 2005. Of this amount, \$1.68m has been spent and acquitted by the UAWC to end 2011-12. AusAID's last payment to World Vision for UAWC activities was 7 June 2012.

Prepared By:

Nicholas Murphy
Middle East & North Africa
Section
Phone: s.47F
Date: 17 October 2012

Cleared By:

Scott Dawson
FADG
SWAD
Phone: s.47F