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NAGKAKAISANG BANSANG



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The Permanent Mission of the Republic of the Philippines to the United Nations presents its compliments to the United Nations Office of Legal Affairs, and, with reference to the latter's Note Verbale LA/COD/11/3 dated 06 January 2020, has the honor to submit the enclosed inputs on the implementation of the Government of the Republic of the Philippines of the Declaration on Measures to Eliminate International Terrorism and General Assembly resolution 74/194 on "Measures to eliminate international terrorism".

The Permanent Mission of the Republic of the Philippines to the United Nations avails itself of this opportunity to renew to the United Nations Office of Legal Affairs the assurances of its highest consideration.

New York, 29 May 2020

United Nations Office of Legal Affairs
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**MEASURES UNDERTAKEN BY THE PHILIPPINE GOVERNMENT
TO ELIMINATE INTERNATIONAL TERRORISM**

<p>Department of National Defense (DND)</p>	<p>The DND, through the Armed Forces of the Philippines (AFP), significantly strengthened coordination and cooperation with relevant government agencies to combat terrorism through the implementation of the comprehensive National Security Policy (NSP) and National Security Strategy (NSS). Pursuant to the NSS, the National Intelligence Committee (NIC), which was reorganized in 2017 by virtue of Administrative Order (AO) No. 7, serves as the advisory body for the coordination, integration, and fusion of intelligence activities. The AFP is a member of the NIC and provides timely intelligence information on national security concerns, particularly on terrorism.</p> <p>Additionally, the AFP and the Philippine National Police (PNP) regularly convene the Joint Peace and Security Coordinating Committee (JPSCC) to further synergize their respective strategies into a national campaign that will defeat all threat groups and criminal elements, ensure security, and maintain public safety to contribute to socio-economic development of the country. The AFP and the PNP launched the Joint Campaign Plan “KAPANATAGAN” 2018-2022, a medium-term plan that provides the AFP and the PNP the guidelines and delineation of authority while performing their mandated tasks to promote peace and security, and support the overall development initiatives of the Philippine Government towards inclusive growth. Through the JPSCC, the AFP and the PNP explore all available avenues for better coordination and cooperation in their operations on internal security, anti-criminality, and CT.</p> <p>The AFP has also been proactive in improving its understanding of radicalization, as well as countering extremist views on the ground. It continues to undertake seminars and participate in symposia on the nature of violent extremism, and at the same time engages with the local communities. The AFP regularly conducts a 4-day Community Support Program – Preventing and Countering Violent Extremism (CSP-PCVE) Operations Course in the Unified Commands (UCs) with the following objectives:</p> <ol style="list-style-type: none"> 1. To educate the participants on Islam, radicalism, and violent extremism; 2. To instill cultural sensitivity and diversity awareness to the participants; and 3. To educate the participants on CSP-PCVE. The Western Mindanao Command (WESTMINCOM) and Eastern Mindanao Command (EASTMINCOM) have been able to conduct more than 120 CSP-PCVE activities. <p>On the international level, the DND has been contributing to the effort to address terrorism by sharing its knowledge and experiences in cooperative activities and initiatives of the ASEAN Defense Ministers’ Meeting (ADMM)-Plus Experts’ Working Group (EWG) on CT since its establishment in 2010. The recent activities attended by the Philippines include the Initial Planning Conference (IPC) on 22-24 January 2019 in China, Middle Planning Conference (MPC) on 24-27 April 2019 in Thailand, Final Planning Conference (FPC) on 26-29 June 2019 in China, Table Top Exercise (TTX) on 01-07 September 2019 in Thailand, Field Training Exercise (FTX) on 09-22 November 2019 in China, and Handover Ceremony of the ADMM-Plus EWG on CT Co-Chairmanship on 18-21 December 2019.</p> <p>Furthermore, the DND is also active in participating in sub-regional initiatives that contribute in strengthening CT cooperation in Southeast Asia, such as the Trilateral Cooperative Arrangement (TCA) among Indonesia, Malaysia, and the Philippines, as well as the ASEAN Our Eyes launched in 2018.</p>
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Department of Foreign Affairs (DFA)

In coordination with relevant Philippine agencies and UN Offices, the following visits, which aimed to further strengthen the Philippines' CT capabilities, were recently conducted:

A. UN Counter-Terrorism Executive Directorate (CTED) Visit to the Philippines (CTED Visit), 10-12 October 2019

As part of its mandate to conduct expert assessments of each Member State and facilitate counter-terrorism technical assistance to countries, CTED conducted a second follow up visit to the PH in October 2019. Some of the objectives of the visit are:

1. To reassess the current violent extremism and terrorism threats in the Philippines;
2. To learn about good practices of the Philippines in counterterrorism; and
3. To make recommendations aimed at supporting the Philippines in strengthening its capacities to respond to the current terrorist threat.

It may be recalled that the last time CTED conducted such a visit to the Philippines was in 2014, which visit resulted in 22 recommendations. The second follow-up visit then tabled the country's milestones in relation to each of the recommendation.

B. 8th Regional Meeting of Heads Intelligence and Security Services in South-East Asia, 11 November 2020

The DFA coordinated with the National Security Council and the UN Analytical Support and Sanctions Monitoring Team (MT) regarding the Philippines' Co-Hosting of the 8th Regional Meeting of Heads Intelligence and Security Services in South-East Asia held on 11 November 2020 in Manila. Senior Representatives from the intelligence and security services of Australia, Brunei Darussalam, Cambodia, China, Indonesia, Japan, the La People's Republic, Malaysia, Myanmar, New Zealand, the Philippines, Singapore, the Republic of Korea, Thailand, and Viet Nam were invited to this closed high-level meeting.

These meetings, mandated by the UN Security Council, allow for a regional counter-terrorism focused on analytical exchange that can inform the work of the Security Council to counter ISL (Da'esh), Al-Qaida and their associates. Annex I (v) of Security Council Resolution 2369 (2017), mandated the MT "to consult, in confidence, with Member States' intelligence and security services, including through regional forums, in order to facilitate the sharing of information and to strengthen implementation of the measures."

C. Scoping Visit for the Strengthening Resilience to Violent Extremism in Asia (STRIVE Asia) Project, 22 January 2020

The UN Office of Counter-Terrorism (UNOCT) also conducted a scoping visit in the Philippines for the Strengthening Resilience to Violent Extremism in Asia (STRIVE Asia) Project on 22 January 2020. The visit was an introductory activity for the STRIVE Asia Project that aimed to take stock of existing PCVE frameworks and identify possible areas for joint cooperation under the Project's umbrella.

The scoping mission will result in a report prepared jointly by UNOCT, the UN Development Programme (UNDP), and the UN Office on Drugs and Crime (UNODC), which will provide the basis for identifying the proposed participating countries and the

	<p>activities that will be implemented under the aegis of the Project.</p> <p><i>D. UN Countering Terrorist Travel (UNCTT) Programme Technical Assessment Visit, 27 February - 2 March 2020</i></p> <p>To recall, in May 2019, the Philippines was invited to the High-Level Launch of the UN Countering Terrorist Travel (UNCTT) Programme, during which launch the Philippines was offered to become a beneficiary country of this Programme. In July 2019, the Secretary of Foreign Affairs and the National Security Adviser informed UNOCT of the Philippines' willingness to participate in the UNCTT Programme.</p> <p>The UNCTT Programme Team conducted a Technical Assessment Visit in Manila on 27 February to 2 March 2020, and has since developed a Roadmap for Implementation, which is currently under review by relevant Philippine agencies.</p> <p><i>E. Joint High-Level Visit of the UN Office of Counter-Terrorism (UNOCT) and UN Counter-Terrorism Executive Directorate (CTED), 2-3 March 2020</i></p> <p>The Government of the Philippines welcomed UNOCT Under-Secretary-General Vladimir Voronkov and CTED Assistant Secretary-General Michele Coninx for a Joint High-Level Visit to the Philippines on 2-3 March 2020.</p> <p>The High-Level Visit is part of the joint efforts of UNOCT and UNCTED to better understand and respond to Members States' priorities and facilitate the delivery of counter-terrorism-related assistance.</p> <p>Furthermore, and consistent with its role in establishing and maintaining coordination with and the cooperation and assistance of other nations in combating terrorism, the DFA continues to coordinate with foreign governments and international organizations on the conduct of and participation in other activities (e.g. bilateral meetings, trainings and workshops, conferences) aimed to build the CT capacity of the Philippine government.</p>
Department of the Interior and Local Government (DILG)	<p>The DILG sustains the drive for good governance, effective and efficient delivery of services that safeguard LGU preparedness and resilience. It supports whole-of-nation approach and mobilizes its offices, bureaus and attached agencies, and local officials in the fight against Violent Extremism (VE).</p> <p>In June 2018, the Preventing and Countering Violent Extremism Program Management Office (P/CVE PMO) was created as the DILG's initiative to promote, harmonize, and sustain its interventions in the movement against VE, as well as Chemical, Biological, Radiological, and Nuclear risks and threats. Furthermore, the P/CVE PMO, together with the DILG's National Barangay Operations Office (NBOO) conducted a Training-of-Trainers (ToT) for the DILG and PNP Regional Offices. A P/CVE module that was community-responsive and relevant to the barangay level was developed by the P/CVE PMO and NBOO. It was cascaded to the regional offices and rolled-out to barangay officials and local police in targeted barangays within their regions. The targeted barangays were provided by the AFP and the PNP, and were vetted by the regional offices.</p> <p>In 2019, the P/CVE PMO launched a strategic communications advocacy. Through a series of consultation, Focus Group Discussions with National Government Agencies and Civil Society Organizations (CSOs), information and education campaign</p>

	<p>materials were disseminated to the 17 regional offices. Currently, the P/CVE PMO is set to publish a P/CVE Convergence Document. The document aims to identify the roles and responsibilities of the attached agencies, DILG field offices and the Local Government Units in violent extremism terror-related incidents. It also harmonizes all the initiatives and efforts of the Department in addressing violent extremism.</p> <p>The DILG has also issued Memorandum Circular 2019-116, which aims to harmonize all P/CVE programs and activities being undertaken by CSOs and International Organizations in the country. The DILG continues to intensify dialogue through consultative meetings and workshops with the non-government stakeholders to orient them on the National Action Plan on Preventing and Countering Violent Extremism (NAP P/CVE), and possible areas of convergence.</p> <p>Through Anti-Terrorism Council (ATC) Resolution No. 38, the NAP P/CVE was adopted. The NAP P/CVE is the comprehensive, harmonized and synchronized national strategy of the government to prevent and counter violent extremism. It includes programs that address the political, economic, cultural, psychosocial and religious factors of radicalization that lead to violent extremism.</p> <p>The NAP P/CVE is grounded on the 4 pillars of the UN Global Counter-Terrorism Strategy that addresses the conditions conducive to terrorism, preventing and combatting terrorism, building the states capacity and ensuring human rights and the rule of law. The NAP P/CVE is also a response to UN's call to develop a Plan of Action to Prevent VE (A/70/674) and the ASEAN's Manila Declaration to counter the rise of radicalization and violent extremism. It is also aligned with the current National Security Policy and Strategy which highlight the need to address the process of radicalization and prevent recruitment through a whole-of-nation approach.</p> <p>Moreover, the DILG was designated as the lead agency for P/CVE and is responsible for the overall implementation of intervention programs under the NAP P/CVE through the sub-lead and member agencies per vulnerable sector, namely: 1) Community; 2) Persons Deprived of Liberty with Terrorism-Related Cases (PDL with TRC) in Jails and Violent Extremist Offenders (VEOs) in Prisons; 3) Religious Leaders; 4) Learning Institutions; 5) Social Media Users; and 6) OFWs and Religious Scholars.</p>
National Intelligence Coordinating Agency (NICA)	<p>NICA's counterterrorism efforts are anchored on the unilateral and multilateral security measures adopted by the Philippine government to counter terrorism. It orchestrates the intelligence fusion, provides regular intelligence estimate, and heads the Special Monitoring Committee that comes up with regular threat assessments, including the recommended monthly terrorism threat level. NICA also engages local and foreign intelligence agencies on terrorism-related issues and concerns, and assists the government in implementing UN Security Council (UNSC) Resolutions, specifically 1267 and 2178, to deal with the threats posed by Al Qaeda and the Taliban and foreign terrorist fighters (FTF), respectively.</p> <p>NICA, along with the Member Agencies of the Anti-Terrorism Council (ATC), is strongly advocating for the amendment of the Human Security Act (HSA) of 2007. Together with the Department of Justice (DOJ) and other government instrumentalities, NICA is likewise involved in the effort to proscribe Daesh-influenced groups in the Philippines, as well as the CPP/NPA, under the HSA.</p> <p>NICA has also proposed a bill that aims to provide stronger legal mechanisms to prevent the entry of FTFs and dissuade</p>

	<p>Filipino nationals from pledging allegiance and/or support to the Daesh and other UN-designated and/or locally proscribed terrorist organizations. The general rationale is to have laws that would preempt, prevent, and disrupt a terrorist attack.</p> <p>A series of forums on Countering Violent Extremism (CVE) has been conducted by NICA to combat terrorism. NICA and the Directorate for Operations of the PNP have also conducted the Community Anti-Terrorism Awareness (CATA) program that would instill awareness and vigilance among the local community, and encourage them to provide information to the local police or other government security forces.</p> <p>NICA has also been inviting subject matter experts, practitioners, and members of the academe for a discussion on Islam and CVE, anchored on the unique socio-cultural and religious setting in the Philippines. The CVE also aims to establish a program to counter radicalism through dialogue and community engagements.</p> <p>Aside from all these non-armed CT responses, NICA has contributed intelligence that led to the neutralization of dozens of high-risk terrorist personalities.</p>
Anti-Money Laundering Council (AMLC)	<p><i>A. Adoption of the National Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Strategy (NACS) 2018-2022</i></p> <p>On 12 November 2018, President Rodrigo R. Duterte approved Executive Order No. 68, Series of 2018, adopting the NACS and creating the National AML/CFT Coordinating Committee. The NACC is headed by the Executive Secretary, with the AMLC Chairman and Bangko Sentral ng Pilipinas Governor as Vice-Chairman. The NACC is composed of Cabinet Secretaries and other Heads of Agencies. EO No. 68¹ and the NACS² are published in the AMLC website.</p> <p>The NACS is a strategic and collective response to Money Laundering/Terrorist Financing (ML/TF) risks identified and provides for a whole of government approach in AML/CFT efforts. It enables the government and the private sector to have a coordinated and strategic approach towards combating money laundering, its related predicated offenses, terrorism and terrorism financing in the country.</p> <p>The NACS focuses on seven (7) strategic objectives, to be accomplished in three (3)-tier timeframes (1-year, 3-year, and 5-year periods), namely:</p> <p>Objective 1 Enhance the Philippine AML/CFT Legal Framework in Order to Effectively Address the Country's ML/TF Risks and the Deficiencies in the Country's Compliance with the International Standards</p> <p>Objective 2 Strengthen the Anti-Money Laundering Council and its Capacity for ML/TF Intelligence Gathering, Investigations and Prosecutions in order to become a more Effective Partner in Combating Money Laundering and its Predicate Offenses, Terrorism and Terrorism</p>

¹ <http://www.amlc.gov.ph/images/PDFs/EO%2068.pdf>

² <http://www.amlc.gov.ph/images/PDFs/NACS.pdf>

Financing

Objective 3 Improve Capacity and Collaboration among the FIU, Law Enforcement Agencies and Prosecutors for the Effective Investigation and Prosecution of, as well as the Confiscation of Proceeds Relating to Money Laundering, its Predicate Offenses, Terrorism and Terrorism Financing

Objective 4 Enhance AML/CFT Regulation and Supervision Framework to Ensure Effective and Robust AML/CFT System in Supervised Institutions for The Purpose of Protecting the Financial System, Designated Non-Financial Businesses and Professions, and the Economy from the Threats of Money Laundering and Terrorism Financing

Objective 5 Develop and Strengthen Mechanisms to Prevent, Disrupt and Combat Terrorism, Terrorism Financing and Proliferation Financing

Objective 6 Strengthen Domestic and International Cooperation Mechanisms for the Effective Exchange of Information, Facilitate Actions against Criminals and their Assets and Assist in the Capacity Building of Relevant Government Agencies

Objective 7 Promote AML/CFT Awareness of Government Agencies, Covered Persons and the General Public to Effectively Combat Money Laundering and Terrorism Financing

The NACS contains action plans to address terrorism and TF risks. Among these action plans are the following:

1. Amendment of the Human Security Act to address deficiencies in the crime of terrorism and UNSCR 1373 designations, and to expand the powers of law enforcement agencies.
2. Strengthening intelligence analysis system for ML and TF.
3. Inter-agency collaboration for monitoring and prevention of travel of local and foreign terrorist fighters.
4. Establishment and/or reinforcement of counter-terror mechanisms at the local government level.
5. Develop red flag indicators/typologies on transactions related to terrorism and TF and disseminate to CPs.
6. Capacity building on terrorism and TF tactics and trends using cyberspace, and targeted outreach on terrorism and TF trends and actions to be taken to prevent exploitation for TF purposes.

From September 2019 to January 2020, the different NACC sub-committees conducted several meetings to discuss and update the NACS Action Plans and Mutual Evaluation (ME) Recommended Actions. On 22 January 2020, the NACC held its first meeting.

The NACS Action Plans are at various levels of implementation by the relevant government agencies.

B. Amendments to Republic Act No. 9372, or the Human Security Act

The AMLC is actively participating in the current efforts to amend the Human Security Act (HSA). Senate Bill No. 1083 on the HSA Amendments passed third reading before the Senate. On the other hand, the house bills on the HSA amendments have been consolidated and is with the House Committees on Public Order and National Security, for public consultation. Committee hearings will continue in May 2020.

The amendments seek to expand the definition of the crime of terrorism, in compliance with the international standards, and also criminalizes the following:

1. Inciting to Commit Terrorism;
2. Planning, Training, Preparing, and Facilitating the Commission of Terrorism;
3. Recruitment to and Membership in a Terrorist Organization; and
4. Foreign Terrorist Fighters (FTFs).

The bills also address the deficiencies in the country's implementation of UNSCR 1373. It provides for a process for domestic designations, in line with the requirements of UNSCR 1373, and allows for a process to adopt requests for designation by foreign and supra-national jurisdictions.

The amendment of the HSA was certified as a priority bill by the President. As such, it is expected to be passed during this 18th Congress.

C. 2019 Counter-Terrorism Financing (CTF) Summit, 12-14 November 2019, Manila, Philippines

The 5th CTF Summit, hosted by the AMLC in partnership with the Australian Transaction Reports and Analysis Centre (AUSTRAC) and the Indonesian Financial Transaction Reports and Analysis Centre (PPATK), was held from 12 to 14 November 2019 at Shangri-La at the Fort, Taguig City, Philippines.

The Summit was attended by over 350 representatives from 29 countries consisting of officials and experts from financial intelligence units, senior representatives from the policy, regulatory, law enforcement and national security agencies, the FinTech/RegTech industry, financial industry, multi-lateral bodies, think tanks and academia from across the region and the globe.

This year's CTF Summit theme is *Together United - Strengthening Our Region*. Participants reflected on the growth and the substantial achievements of the Summit and its working groups since its establishment in 2015. This includes the evolution of the regional Financial Intelligence Consultative Group (FICG) to both improve the understanding of key regional CTF risks and strengthen operational collaboration between regional FIUs on mutually agreed transnational crime priorities.

The Summit addressed a range of key and emerging money laundering and terrorism financing issues, including child exploitation, human trafficking, wildlife smuggling, trade-based money laundering and corruption. The abuse of crowd funding, social media platforms and virtual assets were also considered.

D. Financial Intelligence Consultative Group on Counter-terrorism/Terrorist Financing

The FICG was organized during the Bali, Indonesia Summit in August 2016 and participated in by the Financial Intelligence Units from the Philippines, Australia, Indonesia, Thailand, Brunei Darussalam, Malaysia, New Zealand and Singapore. Other participants include Cambodia, Laos PDR, Myanmar and Vietnam.

The FIGG aims to develop a mechanism for regional financial intelligence analyst exchanges among the ASEAN and close partner FIUs by, among others, providing regular and informal means of communication for FIU heads; facilitating proactive information-sharing and alignment of operational AML/CFT, and assisting FIU critical incident responses for timely information-sharing. The group convenes approximately six times a year, either through Face-to-Face meetings or teleconferences.

For 2019 and 2020, the FIGG has five working groups namely, South East Asia Counter Terrorism Financing Working Group (SEACTFWG), Information Sharing Platform Working Group, Private Sector Work Stream, Anti-Money Laundering (AML) Work Stream, and CTF Summit Secretariat.

The AMLC and AUSTRAC are co-chairs of SEACTFWG. One notable program of the SEACTFWG in 2019 is the *Terrorism Financing Disruption Toolkit*. It was developed to identify and share disruption strategies among SEACTFWG members; help FIUs know how their knowledge, expertise and information sharing could contribute to the protection of others in the region; highlight information sharing processes for each FIU; provide useful guidance about technological options available to support disruption efforts; and operationalize the SEACTFWG by FIUs supporting multilateral disruption efforts. It provides both unilateral and multilateral disruption tools, alternate disruption options and case studies.

Each working group has its work projects which were presented and delivered during CTF Summits.

E. Analyst Hubbing Exchange

In 2018, the FIGG launched the first Analyst Hubbing Exercise, a program where analysts from different jurisdictions work together on a specific criminal investigation or on a thematic topic of mutual priority for all participating countries. The focus of the first Analyst Hubbing Exercise is Terrorism and/or Terrorism Financing. The first run of the said program was held in Kuala Lumpur, Malaysia last 30 July to 2 August 2018. It was participated in by the FIUs of the Philippines, Australia, Indonesia, Malaysia, Singapore and Thailand. The second run was also held in Kuala Lumpur, Malaysia last 29 April to 3 May 2019 and was participated in by several FIU-members of the FIGG. It focused on unregistered money business services or HAWALA.

F. Maute Network Analysis under the Multi-Lateral Analyst Exchange Program (MAEP) on Terrorism Financing

In 2018, a multi-lateral analyst exchange program (MAEP) was undertaken among the FIUs of the Philippines, Australia, Indonesia and Malaysia. Initially, the aim of this MAEP was to determine the financing related to the Maute Group. Following analysis conducted during the exchange, the focus expanded to identify and understand the flow of funds, fighters and material support to the Maute Group and associated groups in the Philippines, in relation to the 2017 Marawi Siege.

The MAEP identified associations with other international terror groups, financiers and foreign terrorist fighters related to the 2017 Marawi Siege. It identified a prominent financier and led to the discovery of probable modes of terrorism financing. It also identified money movement channels, including remittance agencies and use of hawalas.

For every leg of the MAEP, the FIUs validated and disseminated analysis and information with their domestic law enforcement and intelligence agencies. In the case of the AMLC, briefings were conducted with the Joint Terrorism Financing Investigation

Group (JTFIG), intelligence agencies and counter-terrorism units of law enforcement units. The JTFIG was able to validate information with respect to identified FTFs.

The MEAP final report produced actionable intelligence that was used by the AMLC and domestic law enforcement agencies to support counter-terrorism/TF operations and expand their investigative actions. The results were also disseminated to foreign counterparts, which were identified to have a nexus with the siege.

The AMLC coordinated with financial institutions for documents related to the new personalities identified in the Maute network analysis, and with relevant agencies. The AMLC also sought the assistance of the Bangko Sentral ng Pilipinas with regard to the registration of the identified foreign exchange dealer/money changer/remittance agent and other business documentation.

G. Information Sharing Protocol – Public-Private Partnership Program

To further strengthen suspicious transaction reporting, the AMLC engaged covered persons, particularly banks and money service businesses (MSBs) to enter into an Information Sharing Protocol (ISP) Agreement. Under the ISP, covered persons are required to provide information to the AMLC within the STR framework whenever the latter makes a targeted request for customer and transaction information. The ISP was used to share preliminary intelligence on terrorism and TF, which triggered STR submissions. As of date, the AMLC has ISP agreements with three (3) of the largest MSB networks in the country, and two (2) universal/commercial banks.

H. Joint Terrorism Financing Investigation Group (JTFIG)

The JTFIG was established in 2014 as an inter-agency law enforcement task force. The JTFIG members meet weekly to address the terrorism and terrorism financing threat in the Philippines, South East Asia and even in Australia. It is composed of the counter-terrorism and TF officers of the AMLC, the National Bureau of Investigation, various Philippine National Police Units, Bureau of Immigration, Intelligence Services of the Armed Forces of the Philippines, as well as representatives of the US Federal Bureau of Investigation, Australian Federal Police and the AUSTRAC. Since its activation, it has looked into several individuals, threat groups, and entities for possible links with local terrorist groups like the Abu Sayyaf Group (ASG).

For the year 2019, the AMLC participated in a total of 43 JTFIG meetings. This year, AMLC has attended 18 JTFIG meetings, including the eight (8) virtual meetings during the quarantine period. At least 1 analyst and 1 investigator from the AMLC attend and participate in the weekly JTFIG meetings.

The JTFIG 2019 meetings identified 301 persons-of-interest and eight (8) organizations with terrorism nexus. Of this, around 30 persons-of-interest and seven (7) non-profit organizations are subjects of ongoing AMLC financial investigation for possible terrorism financing cases.

I. Target Intelligence Packaging (TIP)

The term “Target Intelligence Packaging” denotes a case-based discussion to formulate strategies in investigating cases and/or

persons-of-interest. It aims to meet specific Law Enforcement Agencies (LEAs) to discuss and target predicate crimes such as corruption, terrorism and terrorism financing (TF), fraud and drugs. It is an effective mechanism for the referral of cases to the AMLC and coordinate parallel investigations with LEAs.

In 2019, the AMLC spearheaded two (2) Target Intelligence Packaging (TIP) workshops focused on TF. TIPs conducted were also infused with discussion of various topics to highlight the importance of financial investigation for purpose of constricting the sources of funds of terrorists.

A total of 112 persons in interest were discussed in the two (2) TF-related TIPs. The AMLC and the relevant agencies also exchanged information regarding the asset of a UN designated person. This led to the indefinite freezing of the person's assets.

J. Terrorist Financing Exchange of Information, Investigations, Freeze, Forfeiture and Cases

1. *Dissemination of Financial Intelligence.* The AMLC disseminates financial intelligence to law enforcement agencies, other relevant government bodies and international counterparts to assist in the investigations of money laundering and terrorism financing. In 2019, the AMLC disseminated thirty-seven (37) financial intelligence reports related to terrorism and TF.

From January 2020 to April 2020, the AMLC disseminated twenty-nine (29) financial intelligence reports related to terrorism and TF. The increase in the financial intelligence reports can be attributed to the strengthening of coordination mechanisms, particularly the conduct of TIP workshops with intelligence/law enforcement agencies.

2. *Bank Inquiry.* In 2019, the AMLC conducted six (6) bank inquiries in relation to terrorism and TF.
3. *Freeze Order.* In 2019, the AMLC was able to freeze assets of three (3) persons in relation to terrorism and TF. This includes the freezing of the accounts of a UN-designated person in the amount of Php217,165.06 and a parcel of land of another UN designated person.

The AMLC has likewise frozen the total amount of Php14,915,810.82 of a non-profit organization suspected of being a front to a domestic terrorist organization.

4. *Civil Forfeiture.* The AMLC has filed a civil forfeiture case on the Php52 million recovered during the Marawi siege. The Php52 million is under indefinite freeze by the AMLC since 2017. The AMLC has likewise filed civil forfeiture action on the Php217,165.06 of the UN-designated person.
5. *Terrorism Financing Cases.* In 2018, the AMLC filed two (2) TF cases before the DOJ. As of date, one has been filed before a Regional Trial Court, while the other is pending resolution before the DOJ. The case pending resolution is in relation to the Maute family.

Case Filed with the Regional Trial Court: On 26 March 2016, ten (10) crew members of a tugboat, all citizens of Country I, were abducted off the waters of southern Philippines while on

their way to a coal port in the Philippines.

Intelligence sources disclosed that the kidnapers were members of the Abu Sayyaf Group (ASG) who demanded Php50,000,000.00 (approximately USD1 million) as ransom money to be deposited to a specific bank account with “Bank A”. The ASG, a UN-designated terrorist organization often resorts to kidnapping to fund their operations and general logistical expenses.

Philippine law enforcement and intelligence agencies requested AMLC to monitor the deposit account maintained at Bank A that allegedly belonged to the kidnapers. Coordination was done with Bank A in order to monitor the activities of the bank account in a real-time manner and immediately provide vital information including CCTV footages of the “JJ” who was withdrawing money from the account.

The AMLC filed before the DOJ a criminal complaint for violation of Section 8 of Republic Act No. 10168 (Terrorism Financing Prevention and Suppression Act of 2012), against JJ who received funds for the ASG by transacting withdrawals by way of the ATM account used as depository or recipient of funds intended for the ASG.

K. Risk Assessments and Studies in relation to Terrorism and Terrorism Financing

1. Second National Risk Assessment (NRA), published December 2017

Terrorism and Terrorism Financing threat assessment was integrated in the Philippines’ first and second National Risk Assessment (NRA) reports. Under the second NRA report, Terrorism threat in the country is rated high given the high number of violent incidents associated with terrorist/threat groups. Similarly, Terrorism Financing threat is rated high as terrorist/threat groups in the country appear to have a systematic and established method of raising funds for their operations.

The TF Risk Assessment identified the different terrorist/threat groups in the country, and the methods used by each group to raise funds. Quantitative and qualitative information were sourced from law enforcement and intelligence agencies, as well as academic research and open source data. Based on the data gathered, the 2nd NRA concluded that terrorism financing risk is high.

Terrorist/threat groups in the Philippines predominantly use illegal means to raise funds. They resort to criminal activities such as kidnapping for ransom, extortion, carnapping, and robbery.

2. NPO Risk Assessment (published, December 2018)³

³ <http://www.amlc.gov.ph/images/PDFs/NPO%20Risk%20Assessment.pdf>

The Non-Profit Organization (NPO) risk assessment looked into the money laundering (ML) and terrorism financing (TF) risks of the sector. ML/TF threats are separately assessed based on investigations and cases involving NPOs, suspicious transaction report (STR) analysis, and inputs from sector representatives. ML Threat is assessed as Medium, while TF Threat is assessed as High Low. Vulnerability is assessed as Medium.

A total of 32 NPOs were identified in terrorism and TF-related STRs, and referrals from the intelligence community. The identified NPOs are dispersed across the country. Their participation in TF activities, however, is unconfirmed and based solely on intelligence information with no sufficient data (financial analysis) or evidence to directly link these NPOs to threat groups or terrorist groups. This indicates that while it is possible that NPOs may have been used for terrorism financing purposes, the same is not the preferred mode for raising funds or providing support to terrorist/threat groups. Majority of the identified sub-sets are service type, specifically, charitable, social development, humanitarian disaster relief, and educational. The banking sector appears to be the preferred channel for NPOs which may have been used for terrorism financing. This is based on the STRs submitted and on the International Islamic Relief Operations (IIRO) case.

3. Study on Possible International Funding of NPOs Related to a Local Communist Terrorist Group (CTG)

The study, which was conducted in 2019, aims to identify NPOs acting as legal front groups of the local CTG that received double funding for single projects through financial grants given by countries and international funding agencies. Analysis of relevant covered/suspicious transaction reports (CTRs/STRs) led to the identification of four (4) NPOs which may have possible links with the local CTG. The study has been disseminated to an intelligence agency.

4. ISIL and Regional Terrorism Financing: 2018 Update from SEA-CTFWG: Self-Funding of ISIL Southeast Asia (led by the AMLC)

In line with the South East Asian Counter-Terrorism Financing Working Group (SEA CTFWG) data collection project, the AMLC, as the project manager on Self-Funding, crafted a comprehensive report on how the ISIL-aligned terrorist organizations and other high-risk groups in Australia and SEA region raise funds through self-funding. The SEA CTFWG members and guests shared information on the identified self-funding sources used by the terrorist or threat groups in the Southeast Asia aligned with ISIL; provided analyzed financial intelligence, classified, and open source information; agreed to collaborate on top-priority targets to develop disruption strategies, which may be done through analyst exchange programs; and work with law enforcement agencies or regional agencies to implement these disruption strategies.

The AMLC spearheaded an examination of ISIL-SEA's self-funding to understand it further and to put disruption strategies in place. The report identified that terrorist groups in the SEA region and Australia raised funds through self-funding through illegal activities and also by legitimate means. Self-funding by illegal activities are those raised from criminal sources, such as kidnapping for ransom, extortion from the local population, and drug trafficking or drug smuggling. Another method of self-funding for terrorism financing is through legitimate sources, such as family support, sympathizers' donations, business profits and legitimate income.

5. Foreign Terrorist Fighters (FTF) Study - a three-part study with strategic, operational intelligence, and tactical

analysis components (on-going to cover 2019-2020)

The AMLC is conducting a three-phase risk assessment on foreign terrorist fighters (FTFs). The assessment aims to integrate strategic (1st phase), operational (2nd phase), and tactical (3rd phase) analysis to gain a deeper understanding of the country's risk and exposure to FTFs and cross-border terrorism linked financial activity. At a strategic level, the report aims to examine aggregated transaction activity by suspected FTFs and their supporters to inform policymakers and industry on methods and channels used for terrorism and extent of suspected TF, in terms of amount and persons/jurisdictions involved. At an operational level, the report aims to produce a typologies brief for the industry to gain insight into the profile and financial activity of FTFs. Lastly, at a tactical level, the report aims to trace financial linkages of known FTFs in order to uncover new leads on other FTFs and sympathizers.

The three-part study will be completed and released by the AMLC within 2020.

L. ISIL and Affiliates to ISIL

The AMLC participates and contributes to the work of the Financial Action Task Force (FATF) in identifying financing schemes of ISIL and its affiliates. In the Philippines, the Maute Group is a Daesh/Islamic State of Iraq and Syria (ISIS) inspired group based in Butig, Lanao del Sur. The group consists of known clans in the Lanao del Sur area. The group has initially gained prominence in 2015, infamous for its apparent penchant for killing military personnel and civilians in the Marawi City and Lanao del Sur area in general. The group pledged allegiance to the ISIS, in 2016.

Sources of Revenue*1. Family Support/ Business profit/Zakat*

The Maute clan received its funds primarily from its family members particularly from their patriarch and matriarch. The Maute clan also served as constructors for Marawi-based infrastructure projects.

Zakat (religious donations) given through the Maute Group, as well its business ventures helped in fund-raising said group's activities.

2. Remittances from a foreign terrorist financier

In the case of Marawi City siege perpetuated by the Maute Group, intelligence community reported that funds for the siege came both directly from ISIS central as well as local sources.

According to the intelligence agencies and authorities, ISIS channeled the funds amount through a Malaysian professor who arranged the transfer of funds from Syria through Indonesia and then to the Philippines through a money service business (MSB).

	<p style="text-align: center;"><i>3. Criminal activities such as arms sales/smuggling, extortion</i></p> <p>The Maute Group was also believed to have resorted in arms sale and smuggling. The Maute Group was also reportedly extorting from local businessmen and political families in Lanao del Sur.</p>
<p>Anti-Terrorism Council – Program Management Center (ATC-PMC)</p>	<p>ATC-PMC leads inter-agency meetings and coordination activities to assist in the amendment of the HAS, which amendments aim to include provisions on FTFs, incitement to terrorism, providing material support to terrorists or terrorist organizations, proscription requests from foreign jurisdictions and supra-national jurisdictions, and, countering violent extremism in schools, among others.</p> <p>ATC-PMC, as the secretariat to the National Security Council-Strategic Trade Management Committee (NSC-STMCOM), together with the Strategic Trade Management Office (STMO) and the Anti-Money Laundering Council (AMLC), has also initiated a new comprehensive bill that would address proliferation financing and would ensure the country’s compliance with UN Security Council Resolution 1540. In this regard, ATC-PMC has engaged subject matter experts from the European Union Outreach Programme on dual-use trade controls (P2P), US Department of State’s programmes on Cooperative Threat Reduction (CTR).</p> <p>For the operationalization of the National Action Plan on Preventing and Countering Violent Extremism (NAP P/CVE), the ATC-PMC monitors its implementation of NAP P/CVE, and, together with the DILG, has conducted several workshops and campaigns to raise awareness and improve the monitoring, evaluation, and reporting of PCVE efforts.</p>
<p>Department of Transportation (DOTr) - Office for Transportation Security (OTS)</p>	<p>OTS is a product of the 9/11 terrorist attacks and was created as the single authority and regulatory agency to secure the transportation systems of the country. It is part of the commitment of the Philippines to implement international transportation security protocols in accordance with the ICAO (Annex 17) and IMO (ISPS Code) conventions of which the country is a signatory. These protocols constitute part of the anti-terrorism policy of the country with respect to public transportation.</p> <p>On the aspect of civil aviation security, OTS updated the National Civil Aviation Security Program (NCASP) last year. The NCASP prescribes preventive measures in the operations of international and domestic airports and airlines, which include periodic security audits and inspections, security risk assessments, and security coordination activities, among others, to protect civil aviation from the threat of terrorism. OTS also operates security screening checkpoints in all airports.</p> <p>On maritime transportation security, OTS continues to implement the ISPS Code and is in the process of revising its National Security Program for Maritime Transportation, which prescribes preventive measures in the operations of international and domestic ports and ships, which include periodic security audits and inspections, security risk assessments, and security coordination activities, among others, to protect maritime transportation from the threat of terrorism. OTS also issues security certificates of compliance to ships and port facilities.</p> <p>On land transportation security, there is no international land transportation security protocol considering that not all countries have land borders with other countries. It is assumed that the security of land travel is left to the security policies and procedures of each state. Nonetheless, as part of the government’s efforts to prevent terrorists from attacking road and rail transportation facilities, OTS is implementing the National Land Transportation Security Program, which prescribes preventive</p>

	<p>measures in the operations of buses/bus terminals and trains/train stations. Likewise, this policy includes periodic security audits and inspections, security risk assessments, and security coordination activities, among others, to protect land transportation from the threat of terrorism. OTS is also capacitating the personnel of bus and train companies on security matters to enhance the security postures of their respective facilities.</p>
<p>Department of Trade and Industry (DTI) - Strategic Trade Management Office (STMO)</p>	<p>Republic Act No. 10697, also known as the Strategic Trade Management Act (STMA), is an essential addition to the suite of legislation aimed at improving the overall national capacity to combat international terrorism. The STMA created the Strategic Trade Management Office (STMO) as the lead government agency responsible for limiting the ability of bad actors to obtain strategic equipment, materials, and technologies used for illegal purposes, including terrorism.</p> <p>Below are the specific initiatives by STMO regarding measures to eliminate international terrorism in the Philippines:</p> <ol style="list-style-type: none"> 1. Risk Assessment Criteria - STMO uses Risk Assessment criteria in the performance of its registration and authorization functions. The Risk Assessment criteria involve layers of checks such as vetting of persons, screening of end-users, and other relevant parties, to ensure that United Nations Security Council-designated individuals and entities have no part in the trade of strategic goods and technologies. 2. Information Management and Sharing - STMO is building business intelligence (BI) platforms utilizing firm-level trade data and maintaining country risk profiles to assist the office in operations and policymaking. STMO shares this information with other government agencies such as the Bureau of Customs, the Department of Foreign Affairs, among others. 3. National Security Council - Strategic Trade Management Committee (NSC-STMCOM) Sub-Committee Meetings - The NSC-STMCOM Subcommittees and Technical Working Group are inter-agency bodies created to assist STMO in the implementation of the STMA in specific areas like Risk Assessment, Technical Reach Back, Enforcement, and Trade Facilitation. The subcommittees, through established inter-agency protocols, work closely together to increase the capacity to detect and disrupt illegal strategic goods trade, which, in most cases, is supportive of terrorist agenda. 4. Commodity Identification Training - STMO spearheads the Commodity Identification Training (CIT) program, geared towards making frontline trade and enforcement officers from the Bureau of Customs (BOC) and the Philippine Economic Zone Authority (PEZA) operationally ready once STMO begins to issue authorizations. CIT will equip the officers to identify and be familiar with weapons of mass destruction (WMD) - related materials and equipment procured by terrorist groups.
<p>Philippine Center on Transnational Crime (PCTC)</p>	<p>Pursuant to its mandate, the PCTC continues to carry out its efforts against transnational, which include terrorism as one of the ten thematic areas under the following core thrusts namely: international cooperation, information exchange, capacity building, and law enforcement operations and policy initiatives.</p> <p>The following activities of the PCTC are within the scope of the action lines of the Declaration:</p>

A. International Cooperation

The INTERPOL 'National Central Bureau' (NCB) Manila enables the country to be linked with a global network of law enforcement organizations from 194 member states. INTERPOL allows real-time coordination and collaboration with the sharing of criminal information through a secured platform. INTERPOL Notices are also published by the member countries to alert the police force of other states and to share critical crime-related information.

Moreover, the PCTC also serves as the Secretariat of the ASEAN Ministerial Meeting on Transnational Crime (AMMTC) and the Senior Officials Meeting on Transnational Crime (SOMTC) – Philippines. SOMTC has also established a Working Group on Counter-Terrorism (WG on CT). These bodies convene annually and serve as the primary channels in negotiating ASEAN agreements, policies, and strategies against terrorism, terrorist financing, and violent extremism.

These ASEAN bodies also facilitate the sharing of information among ASEAN member states on returning FTFs, financing of terrorist groups which may involve money laundering, conditions conducive to terrorism, the use of social media and technology, and programmes on rehabilitation of former terrorists that surrendered or were arrested.

B. Information Exchange

The PCTC is also mandated to explore and coordinate information exchanges and training with other government agencies, foreign countries, and international organizations that are involved in combating terrorism. Such information exchange can be manifested through the holding of regular inter-agency meetings, facilitating consultation with government and non-government agencies/organizations, and the continuous consultations with group of experts and other concerned institutions.

The PCTC also regularly participates in inter-agency meetings such as the NALECC Sub-Committee on Anti-Money Laundering / Combating the Financing of Terrorism (SCAML/CFT).

The PCTC-INTERPOL NCB Manila Inter-Agency Coordinating Committee also regularly conducts monthly meetings along with its 46 member 'Law Enforcement Agencies' (LEAs) and Regulatory Bodies, the primary aim of which is to strengthen and enhance inter-agency cooperation and collaboration. Member agencies also discuss INTERPOL projects to address terrorism and its underlying activities.

Likewise, the PCTC-INTERPOL NCB Manila continues to expand its I-24/7 connectivity to different 'Law Enforcement Agencies' (LEAs) such as the Bureau of Immigration (BI), Bureau of Customs (BOC), Department of Foreign Affairs (DFA), National Bureau of Investigation (NBI), Philippine National Police (PNP), Philippine Coast Guard (PCG), Philippine Drug Enforcement Agency (PDEA), Public Safety Command Center in Davao City, and the Department of Trade and Industry – Strategic Trade Management Office (DTI-STMO).

The program aims to provide local law enforcement agencies with a common platform through which they can share crucial information about criminals and terrorists.

C. Capacity Building

Capacity building projects and trainings help law enforcers to be updated with emerging terrorist trends. These are designed to bridge the gap between national and international policing and help law enforcement agencies to make maximum use of the services that INTERPOL provides. Some of these trainings are:

ACTIVITY	OBJECTIVES OF THE PROJECT
INTERPOL Capacity Building Project TRACE: Basic Training Session on Countering the Use of the Internet for Terrorism Purposes	To gather intelligence and evidence from the Internet and social media platforms to prevent, disrupt the use for terrorist purposes as well as to investigate and prosecute terrorism-related cases or any associated transnational organized crime.
INTERPOL PROJECT MAST: Regional Training on Maritime Crime Scene Investigation	To enhance the capability of first responders and investigators from the maritime law enforcement agencies of Indonesia, Malaysia, Philippines and Vietnam to conduct investigations, respond to incidents at sea and improve regional cooperation.
INTERPOL Project FIRST: Second Deployment	To collect biometric data of Foreign Terrorist Fighters and other high value convicted criminals in Davao and Zamboanga.
Project PACIFIC Working Group Meeting on the Southeast Asia Foreign Fighters	To identify Terrorists Individuals and Groups, terrorists' travel and mobility, use of social media and the Internet by terrorists, and movement of dangerous supply, and discuss terrorism financing.
Joint 'Middle East and North Africa' (MENA) And Asia-Pacific Counter-Terrorism Working Group Meeting	To address the terrorism nexus between MENA and Asia-Pacific regions and its impact on international peace and security, driven in large part by the 'Islamic State of Iraq and the Levant' (ISIL).

D. Law Enforcement Operations

PCTC-INTERPOL NCB Manila actively participates locally and internationally in various activities, programs, and projects concerning counter-terrorism and other transnational crimes which are hosted and sponsored by INTERPOL and other member countries. Some of these projects are:

1. INTERPOL Operation Maharlika – wherein law enforcement agencies from Brunei, Indonesia, Malaysia, and the Philippines (BIMP) were deployed to strategic points along known terrorist transit routes in Southeast Asia in a

	<p>series of simultaneous law enforcement and border control actions. The coordinated move – from 24 February to 20 March in the midst of the global COVID-19 outbreak – resulted in the arrest of more than 180 individuals for various offences, including one suspected member of the terrorist ‘Abu Sayyaf Group’ (ASG). In the Philippines, it was participated by representatives from agencies such as BI, PCTC, AFP, PCG, PNP units and NICA.</p> <p>2. Operation SUNBIRD IV - took place in all 10 countries of the ‘Association of Southeast Asian Nations’ (ASEAN) last 29 October – 7 November 2019. It aimed to reinforce cooperation between law enforcement agencies in order to identify, arrest and investigate terror suspects and criminals crossing borders in the region. It was participated in by local law enforcement agencies such as BI, AMLC, and other Counter-Terrorism units and further supported by BOC, DFA, Maritime Industry Authority (MARINA), Civil Aviation Authority of the Philippines (CAAP), PCG, Philippine Ports Authority (PPA), and PNP units – Aviation Security Group (AVSEG) and Maritime Group (MG).</p>
<p>Bureau of Corrections (BuCor)</p>	<p>BuCor is an agency under the DOJ tasked with the security/custody and rehabilitation of national offenders.</p> <p>BuCor counters radicalization by engaging Violent Extremist Offenders (VEOs) in reformation programs. The High Risk Inmate Management Program Team (HRIMPT) conducts reformation program to identified VEOs. It is a Focused Behavior Modification Program consisting of 12 Modules with clear objectives to effect de- radicalization. The modules focus generally on the development of life skills and building the resilience of VEOs as they are confronted with the various pressures of incarceration.</p> <p>BuCor likewise utilizes the process of segregation – those considered as charismatic leaders are segregated and housed in a high-risk facility and are closely monitored.</p>