

*[Draft concept note]*

**Joint special meeting of the Counter-Terrorism Committee and the ISIL (Da'esh) and Al-Qaida Sanctions Committee with Member States, the Financial Action Task Force (FATF) and other relevant international and regional organizations on**

**“Depriving Terrorist Groups from Accessing, Raising, and Moving Funds: Practices and Lessons Learned”**

*United Nations Headquarters, New York, 12-13 December 2016*

## **I. Introduction**

1. In its efforts to combat the global terrorist threat, the international community has prioritized the development of mechanisms to prevent terrorist organizations, particularly the Islamic State in Iraq and the Levant (ISIL, also known as Da'esh), from accessing the funds and other assets needed to finance their operations and recruitment activities.

2. Efforts to deprive terrorists of the resources needed to commit terrorist acts and sustain their activities has been at the core of the international community's counter-terrorism agenda since the adoption of the 1999 International Convention for the Suppression of the Financing of Terrorism and Security Council resolution 1373 (2001), which complements the Convention, particularly with respect to disruptive measures such as the freezing of terrorist assets.

3. Over recent years, Member States have achieved substantial progress in developing and implementing such mechanisms. However, terrorist groups continue to find ways to raise and move funds, including through innovative and sophisticated ways to mobilize financial resources, including through the use of information and communications technology (ICT).

4. Of particular concern in the current terrorist environment is the urgent need to develop mechanisms to prevent returning foreign terrorist fighters (FTFs) and dormant terrorist cells from accessing funds and assets. Responding to this emerging challenge will require strengthened cooperation and coordination among national agencies, particularly intelligence agencies and financial intelligence units (FIUs).

5. On 17 December 2015, the members of the Security Council, represented by their ministries of finance for the first time in its 70 year history, held a special meeting on combatting all form of terrorist financing, including the financing of ISIL. The Council, adopting resolution 2253 (2015), emphasized that a successful strategy to counter the financing of terrorism required a global response and called for strengthened international efforts to detect and disrupt terrorist groups' funding flows. In adopting this resolution, the Security Council expressed its determination to address the threat posed to international peace and security by ISIL, Al-Qaida and those associated with them and the importance of cutting off their access to funds, including the proceeds of illicit trade in oil, antiquities and other natural resources.

6. Acknowledging the threat posed by terrorist groups and individuals to the international financial system, the Financial Action Task Force (FATF) recently updated its global counter-financing of terrorism strategy and developed a related operational plan to help States counter the global threat posed by terrorist individuals and entities.

7. On 14 April 2016, the 1267/1989/2253 ISIL (Da'esh) and Al-Qaida Sanctions Committee and the Counter-Terrorism Committee, together with FATF, held a joint open briefing, at United Nations Headquarters, on depriving terrorist groups of funding sources. During the meeting, public and private-sector experts highlighted the major challenges involved and discussed ways to strengthen information-sharing by Government entities and public/private partnerships aimed at preventing terrorists and terrorist entities from accessing funds.

8. Member States continue to review the terrorism-financing-related risks posed by ISIL, Al-Qaida, those associated with them and other terrorist groups, as well as the operational barriers to the sharing of financial information in this context, including with a view to strengthening the contribution of counter-terrorism financing agencies in the prevention and investigation of terrorism. A number of international bodies, including FATF, are examining potential legal and technical barriers to the effective sharing of terrorist financing information.

9. Member States have taken steps to strengthen their relationships with the private sectors, including financial institutions and Internet service providers, with a view to mitigating terrorism-financing threats and sharing terrorism-financing risk indicators. States have also operationalized measures to protect sectors that are most vulnerable to terrorist-financing abuse. These practices should be shared with all Member States.

10. Terrorism financing is often a cross-border crime that involves several Member States and requires effective cooperation at all levels, including intelligence, judicial cooperation, and mutual legal assistance, in order to effectively prevent, identify and disrupt. In an effort to overcome the obstacles that often hinder international cooperation, Member States have developed formal and informal mechanisms, including in the context of the fight against organized crime, which are being used to address terrorism financing risks.

## **II. Objective**

11. The proposed joint special meeting would be held pursuant to resolution 2253 (2015), which directs the 1267/1989/2253 ISIL (Da'esh) and Al-Qaida Sanctions Committee, with the assistance of its Analytical Support and Sanctions Monitoring Team (the "Monitoring Team") in consultation with the Counter-Terrorism Committee (and, inter alia the Counter-Terrorism Committee Executive Directorate (CTED)), the Counter-Terrorism Implementation Task Force (CTITF) and FATF, to hold special meetings on important thematic topics.

12. The purpose of the proposed joint special meeting would be to build on the outcomes of the above-mentioned December 2015 meeting and April 2015 open briefing of the Council and to examine national practices and regional initiatives to implement relevant regional and international instruments, including the related resolutions of the Council. The proposed joint special meeting would also enable the two Committees, Member States, and relevant

international and regional organizations to continue their discussion of terrorism-financing trends and to share practices and effective tools to deprive terrorists of financial resources.

### **III. Format of discussions**

13. The joint special meeting would begin with an opening session that would include keynote addresses by the two Committee Chairs, the President of FATF, and a representative of the Secretary General's Office. The opening session would be followed by a series of substantive sessions, arranged in a "presentation and discussion" format to encourage interactive discussion.

14. On the first day, the participants would discuss: (i) the identification of current terrorism-financing risks at national level; (ii) the continued risks posed by the financing of FTFs and returnees; (iii) the identification of current terrorism-financing risks at regional level; and (iv) practices to enhance terrorism financing related international cooperation.

15. The second day would focus on: (i) successes and remaining challenges in the implementation of targeted financial sanctions (TFS) related to terrorism and terrorism financing; (ii) preventing and protecting the non-profit organizations (NPO) sector from possible terrorism-financing abuse using a proportionate, risk-based approach; (iii) the vulnerability of the money-remittance sector to terrorist abuse and the prevention of the cross-border movement of illicit funds through more effective declaration or disclosure systems; and (iv) the misuse of new technologies to raise and move funds (in particular, fundraising through social media, "crowdfunding", new payment products and services).

16. The participants would be requested to raise issues and questions relating to the above-mentioned topics. CTED, acting in close cooperation with the Monitoring Team, would circulate an annotated agenda, meeting documentation, and other logistical information, which would also be posted on the websites of both Committees.

### **IV. Panellists and rapporteurs**

17. The proposed rapporteurs and panellists are indicated in the attached draft agenda. CTED and the Monitoring Team would serve as rapporteurs. Representatives of Member States would be invited to serve as panellists, and representatives of relevant international and regional organizations would act as moderators and introduce each respective topic.

### **V. Venue and date**

18. It is proposed that the special event be held at United Nations Headquarters, New York, on 12 and 13 December 2016.

### **VI. Outcome**

19. The joint special meeting would highlight national and regional practices developed to effectively and appropriately address new terrorist-financing threats and to implement

applicable international standards, while respecting the sovereignty of Member States and recognizing their primary responsibility to counter such threat, in order to deprive terrorists of their sources of funds and preventing the misuse of mechanisms to raise and disburse funds. A joint summary of the Chairs, highlighting the main points and conclusions of each session, will be prepared. A report summarizing the national and regional practices and lessons learned discussed during the meeting could also be prepared for consideration by the two Committees.

## **VII. Communications**

20. The two Committees might wish to consider issuing a joint press release.

*[Draft agenda]*

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*United Nations Headquarters, New York, 12-13 December 2016  
Conference room 2*

**Monday, 12 December 2016**

**10.00-10.45 Opening plenary session**

*Opening statements:*

- **H. E. Mr. Amr Abdellatif Aboulatta**, Chair, Counter-Terrorism Committee
- **H. E. Mr. Gerard van Bohemen**, Chair, 1267/1989/2253 ISIL (Da'esh) and Al-Qaida Sanctions Committee
- **Mr. Juan Manuel Vega-Serrano**, President, Financial Action Task Force (FATF)
- **Mr. Jean Paul Laborde**, Assistant Secretary-General, Executive Director, Counter-Terrorism Committee Executive Directorate (CTED)

**10.45-11.30 Session I: Identifying current terrorism-financing risks at national level**

*In this session the two co-sponsors of resolution 2253 (2015) will share their respective national terrorist financing risk assessments.*

*Moderator:* **Mr. Tom Neylan**, FATF Secretariat

*Rapporteur:* CTED

*Panellists:* Russian Federation, United States of America

*Speakers:*

- **Mr. Dmitry Feoktistov**, Deputy Director, Department on New Challenges and Threats, Russian Foreign Ministry, Russian Federation
- **Mr. Michael Hertzberg**, Policy Adviser, Office of Terrorist Financing and Financial Crimes, U.S. Department of the Treasury

**11.30-13:00 Session II: Financing of foreign terrorist fighters (FTFs), FTF returnees and dormant cells (including with regard to domestic coordination and information-sharing between FIUs and security services)**

*Speakers will discuss the threat posed by the funding of FTFs and returnees and their possible involvement in supporting dormant cells, as well as current efforts to develop more effective strategies for the sharing of information by FIUs and security services.*

*Moderator:* **Mr. Paul Riordan**, Chief, Financing Terrorism Unit, INTERPOL  
*Rapporteur:* Analytical Support and Sanctions Monitoring Team  
*Panellists:* Belgium, Morocco, Eurasian Group on Combating Money-Laundering and the Financing of Terrorism (EAG), Republic of Kazakhstan

*Speakers:*

- **Mr. Philippe de Koster**, President, CTIF-CFI, Belgium
- **Mr. Hassan Alaoui Abdallaoui**, Head of FIU, Morocco
- **Mr. Andrey Seleznev**, Principal administrator – Deputy of the EAG Executive Secretary
- **Ms. Sofia Aisagaliyeva**, Deputy Chair of the Financial Monitoring Committee of the Ministry of Finance of the Republic of Kazakhstan

**15.00-16.30 Session III: Identifying current terrorism-financing risks at regional level**

*It is essential to identify and assess current terrorist-financing risks in order to understand Member States' vulnerabilities and adopt an appropriate response. In this session, Member States will share experiences in developing national and regional risk assessments.*

*Moderator:* **Mr. Tom Neylan**, FATF Secretariat

*Rapporteur:* CTED

*Panellists:* Australia, European Union

*Speakers:*

- **Ms. Claudine Lamond**, Acting Manager National Security Operations Intelligence, AUSTRAC
- **Ms. Kallina Simeonoff**, Team Leader AML/CFT, European Commission

**16.30-18.00 Session IV: Strengthening international cooperation through formal and informal channels**

*Speakers will present tools and mechanisms developed to facilitate international cooperation in the CFT context, such as the use of tools created in the context of the fight against organized crime; the use of judicial cooperation platforms or reliance on liaison officers.*

*Moderator:* **Mr. Mauro Miedico**, Chief, Terrorism Prevention Branch, UNODC and Chair of the CTITF Working Group on Countering the Financing of Terrorism

*Rapporteur:* Analytical Support and Sanctions Monitoring Team

*Panellists:* Canada, Jordan

*Speakers:*

- **Mr. Stéphane Sirard**, Financial Transaction and Reports Analysis Centre of Canada (FINTRAC)
- **Ms. Isra'a Abu-Shwimeh**, Third Secretary, Legal Department, MoFA, Hashemite Kingdom of Jordan

*Tuesday, 13 December 2016*

**10.00 – 11.30 Session V: Successes and remaining challenges in the implementation of targeted financial sanctions (TFS) related to terrorism and terrorism financing**

*Speakers will discuss the impact of national asset-freezing mechanisms and other types of measures in effectively depriving terrorists of their sources of funding, as well as remaining challenges in the effective use of these mechanisms, particularly in addressing third-party freezing requests and in making financial institutions and other concerned professions aware of terrorist-financing risks.*

*Moderator:* **Mr. Tom Neylan**, FATF Secretariat

*Rapporteur:* CTED

*Panellists:* Egypt, France, Italy

*Speakers:*

- **Mr. Amr Farouk**, Head of the Legal Office at EMLCU, Egypt
- **Mr. Hugo Rolland**, Deputy Head of Fight Against Financial Crimes Unit, France
- **Ms. Giuseppina Daria Pellicano**, Head of Unit V, Countering of the Financing of Terrorism and International Financial Sanctions, Treasury Department, Ministry of the Economy and Finance, Italy

**11.30-13.00 Session VI: Preventing and protecting the non-profit organizations (NPO) sector from terrorism-financing abuse**

*Speakers will share some national practices in their outreach with the NPO sector, their work identifying the subset(s) of NPOs possibly vulnerable to abuse for terrorist financing purposes and the implementation of related risk-based measures to prevent these abuses.*

*Moderator:* **Mr. Jarkko Jokinen**, Organization for Security and Co-operation in Europe

*Rapporteur:* Analytical Support and Sanctions Monitoring Team

*Panellists:* Kyrgyz Republic, United Kingdom

*Speakers:*

- **Mr. Chyngyz Kenenbaev/ Mr. Timur Sabirov**, Kyrgyz Republic
- **Ms. Michelle Russell**, Director of Investigations, Monitoring and Enforcement UK Charity Commission, United Kingdom

**15.00-16.30 Session VII: Vulnerability of alternative remittance systems to terrorism financing and action to strengthen the detection of illicit cross-border movement of cash and other financial instruments**

*Speakers will discuss the need to appropriately regulate and monitor alternative money remitters and to engage this sector on potential abuse and risk mitigation best practices. Speakers will also describe effective national practices to effectively detect the illicit cross-border movement of cash or bearer negotiable instruments (BNIs) and some strategies to enhance the cooperation among police, customs and FIU to address the matter.*

*Moderator:* **Ms. Justyna Gudzowska**, Analytical Support and Sanctions Monitoring Team

*Rapporteur:* CTED

*Panellists:* Italy, Nigeria, Turkey, United Kingdom

*Speakers:*

- **Ms. Giuseppina Daria Pellicano**, Head of Unit V, Countering of the Financing of Terrorism and International Financial Sanctions, Treasury Department, Ministry of the Economy and Finance, Italy
- **Mr. Francis Usani**, Director Nigerian FIU
- **Mr. Resul Şahinol**, Head of Department, Department of Security Affairs at the Ministry of Foreign Affairs, Turkey
- **Mr. Patrick Otto Rarden**, Finance SME, HMG C-Daesh Task Force, United Kingdom

**16.30-17.50 Session VIII: The misuse of ICT to raise and move funds for terrorism-financing purposes**

*Speakers will describe the vulnerability of information and communications technology (ICT) to terrorism financing, particularly the misuse of crowdfunding and new payment products and services, to raise and transfer funds.*

*Moderator:* **Ms. Delphine Schantz**, CTED

*Rapporteur:* Analytical Support and Sanctions Monitoring Team

*Panellists:* Asia/Pacific Group on Money Laundering (APG), Australia, European Union

*Speakers:*

- **Mr. David Becker**, APG (by VTC)
- **Ms. Claudine Lamond**, Acting Manager National Security Operations Intelligence, AUSTRAC
- **Ms. Kallina Simeonoff**, Team Leader AML/CFT, European Commission

**17.50-18.00 Closing plenary session**

*Closing statements:*

- **H. E. Mr. Amr Abdellatif Aboulatta**, Chair, Counter-Terrorism Committee
- **H. E. Mr. Gerard van Bohemen**, Chair, 1267/1989/2253 ISIL (Da'esh) and Al-Qaida Sanctions Committee