

**Joint special meeting of the Counter-Terrorism Committee and the  
1267/1989/2253 ISIL (Da'esh) and Al-Qaida Sanctions Committee**

**“Terrorist-financing threats and trends and the implementation of Security  
Council resolution 2462 (2019)”**

*Economic and Social Council Chamber, United Nations Headquarters, New York,  
Thursday, 18 November 2021, 9.00 a.m.-12.00 p.m.*

**“Monitoring the implementation of Security Council resolution 2462 (2019)”**

**Statement of**

**Assistant Secretary-General Michèle Coninsx,  
Executive Director, CTED**

*Thank you, Mr. Chair.*

*Excellencies, distinguished participants,*

**Allow me to begin by thanking the Chairs and Members of the two committees for  
hosting today’s joint special meeting.**

**I also wish to thank all our distinguished participants for joining us, here, today.**

*Excellencies, distinguished participants,*

**Terrorist organizations, cells, and individuals all need funds.**

**Terrorist attacks are often said to be low cost, but this of course fails to take into  
consideration the variety of costs actually incurred through their planning and  
preparation (including the costs of weapons and training).**

**Funds are also needed for propaganda and recruitment; social services, sustenance, salaries, and support; intelligence-gathering and operational security; and also, in certain cases, corruption and political lobbying.**

**CTED monitors Member States' implementation of a wide variety of measures to counter terrorism financing, both within the framework of the country assessment visits conducted on behalf of the Counter-Terrorism Committee and in the context of its ongoing stocktaking efforts.**

**We continuously analyse evolving terrorism-financing trends and methods, as well as States' responses, gaps, and good practices.**

**Recent Council resolutions have considerably expanded the thematic scope of CTED's assessments in this area.**

**We now consider national terrorism-financing risk assessments; the integration of financial intelligence into counter-terrorism efforts; measures taken to prevent and detect the misuse of new technologies (including virtual assets and crowdfunding platforms) for terrorism-financing purposes; the development of public/private partnerships to optimize the development and use of financial intelligence; and the potential impact of CFT measures on the delivery of impartial humanitarian aid.**

**Security Council resolution 2462 provides CTED with new tools to further strengthen its CFT assessments, including through targeted and focused follow-up visits, conducted as complements to its comprehensive assessments.**

**In the challenging context of the travel restrictions imposed by the United Nations in response to the COVID-19 pandemic, CTED ensured that CFT-related issues were**

**adequately addressed during the virtual components of all the hybrid visits conducted on the Committee's behalf in 2021, as well as in desk review of country files.**

**In conducting those assessments and in the context of our related analysis, we have observed that most States are well aware of the terrorism-financing threats emanating from United Nations-designated transnational terrorist groups such as ISIL and Al-Qaida and associated entities, as well as from certain local groups designated pursuant to their national sanctions regimes.**

**However, we have also observed that many States have not made sufficient progress in analysing the other evolving risks relating, for example, to the financing of so-called terrorism motivated by xenophobia, racism and other forms of intolerance.**

**Many States have not adequately assessed, on a strategic level, the risk that terrorists may benefit from the financial proceeds of transnational organized crime.**

**Moreover, many States do not consider the gender-specific implications of terrorism-financing and CFT measures and rarely evaluate the vulnerabilities of non-financial economic sectors such as the construction or pharmaceutical sectors, as noted by the Council in its resolution 2462.**

**The gaps that CTED identifies in States' criminalization of terrorism financing often relate to the financing of FTF travel and the failure to provide for a definition of funds that covers economic resources of any kind and is not limited to financial assets.**

**However, the biggest challenge appears to be ensuring effective prosecution of terrorism financing based on the required mental elements of the offence - especially in cases where such financing is not linked to any particular terrorist act.**

**If Member States are to keep pace with the rapid evolution in financial tools and terrorism-financing methods, there is an urgent need to enhance the specialized expertise of personnel engaged in handling increasingly complex cases that involve advanced investigation techniques and complex international cooperation mechanisms.**

**As noted in the joint report prepared in June 2020 by CTED and the Analytical Support and Sanctions Monitoring Team, many States also continue to face challenges with respect to the institutionalization of public-private partnerships, the integration of human rights obligations into CFT measures, and cooperation with civil society actors in developing policies to ensure risk-based supervision of the non-profit sector.**

**Here, I would note that CTED has held consultations with civil society organizations from most regions of the world to discuss countering the financing of terrorism and its implications for human rights.**

**Terrorist groups continue to misuse social media and encrypted messaging platforms to raise and move funds to finance their activities.**

**The key obstacles to the detection, investigation and prosecution of those involved relate to the sheer volume of social media services, user accounts, and social media usage; the difficulty of tracing and identifying the individuals involved; the complexities involved in the analysis of digital forensic evidence; and the transnational nature of procedures for obtaining evidence.**

**The use of cryptocurrencies and technologies that are largely untraceable continues to increase, and many States are struggling to address the risks associated with such payment methods (either leaving them in under-regulated “grey zones” or over-**

**regulating them, thus curtailing the opportunities offered by that sector in terms of financial innovation and efficiency).**

**We have also observed that only a few States have adopted dedicated measures to evaluate, and eventually mitigate, the impact of CFT measures on purely humanitarian activities, including in conflict zones with active terrorist activity.**

**These and other challenges that we uncover in the context of our assessments are explored in greater detail in the recently published updated Global Implementation Survey mentioned by the Chair in his opening remarks.**

**With respect to the support requested of CTED by resolution 2462 in enhancing coordination for the delivery of integrated technical assistance relating to CFT measures, I would note that CTED has actively cooperated with UNOCT in the implementation of its Global Capacity-Building Programme on Detecting, Preventing and Countering the Financing of Terrorism.**

**Furthermore, pursuant to Council resolutions 2395 (2017) and 2462 (2019), beginning next month, CTED (in consultation with the Analytical and Sanctions Monitoring Team) will submit an annual thematic summary assessment of gaps in this area to UNOCT, through the Committee, for the purpose of designing targeted technical assistance and capacity-building efforts.**

**CTED and other United Nations entities will also continue their close cooperation with FATF and FATF-style regional bodies with a view to strengthening synergies in the global effort to counter terrorism financing.**

**In the same spirit of enhanced cooperation and coordination, the United Nations Global Counter-Terrorism Coordination Compact entities, including CTED,**

**contributed to the joint initiative conducted under the umbrella of the Global Counterterrorism Forum to identify and disseminate good practices in countering the financing of terrorism while safeguarding civic space.**

*Excellencies, distinguished participants,*

**The global terrorism-financing threat grows ever more complex, especially as terrorists continue to identify new ways to exploit new and emerging technologies.**

**Rest assured that CTED will continue to work closely with all its partners to help Member States counter that threat, while ensuring compliance with their obligations under international law, including international human rights law, international humanitarian law and international refugee law.**

**I look forward to our discussions.**

*Thank you.*