

**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*

**Chairs' summary**

**Introduction**

1. Security Council resolution 2462 (2019), adopted on 28 March 2019, is the first Council resolution exclusively devoted to preventing and suppressing terrorism financing. The resolution's adoption reflects the Council's continued determination to assist Member States in their efforts to deprive terrorists of funds, financial assets, and economic resources, as well as to deny them access to the financial system and to other economic sectors that are vulnerable to terrorism financing.
2. All around the globe, terrorists and terrorist groups continue to raise funds through a wide variety of means, including the abuse of legitimate enterprises and non-profit organizations (NPOs); the exploitation of natural resources, donations, and crowdfunding; and a range of other criminal activities, including kidnapping for ransom, extortion, illicit trade and trafficking in cultural property, trafficking in persons, drug trafficking, and illicit trade in small arms and light weapons (SALW). The funds raised are then moved either by “traditional” means (including formal banking systems, financial institutions, money service businesses, and informal financial networks and cash couriers) or through emerging payment methods such as mobile wallets or virtual assets.
3. As noted in the joint report prepared in June 2020 by CTED and the Analytical Support and Sanctions Monitoring Team pursuant to resolutions 1526 (2004) and 2253 (2015) concerning ISIL (Da'esh), Al-Qaida and the Taliban and associated individuals and entities, many States also continue to face challenges with respect to the institutionalization of public-private partnerships, the integration of human rights obligations into countering the financing of terrorism (CFT) measures, and cooperation with civil society actors in developing policies to ensure risk-based supervision of the non-profit sector.
4. The joint special meeting was held pursuant to paragraph 36 of resolution 2462 (2019), which directs the Counter-Terrorism Committee and the Security Council Committee established pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) to hold a joint special meeting on terrorist-financing threats and trends, as well as on the implementation of the provisions of the resolution. Held in hybrid format, the meeting was attended by representatives of Member States and a range of United Nations and other partners, including international and regional organizations and civil society organizations (CSOs).

5. The participants discussed, inter alia, achievements and challenges in prosecuting terrorism financing; implementing effective freezing mechanisms; conducting terrorism-financing risk assessments; exploring the links between organized crime and terrorism financing; preventing the misuse of NPOs for terrorism-financing purposes; addressing terrorism-financing risks associated with new technologies.

## **Introductory session**

6. In his opening remarks, H.E. Mr. Tarek Ladeb, Chair of the Counter-Terrorism Committee, noted that terrorism financing was a global phenomenon that not only threatened Member States' security but could also undermine economic development and financial market stability. Monitoring compliance with the international CFT requirements had been a central element of the mandate of the Committee since its inception in 2001, in accordance with Security Council resolution 1373 (2001) and its successors, as well as the 1999 International Convention for the Suppression of the Financing of Terrorism. Council resolution 2462 (2019) crystalized the priority CFT areas requiring further action by Member States and provided additional tools for the Committee and CTED to further strengthen their CFT assessments. In that regard, it was essential that the Committee maintain its cooperation with the 1267/1989/2253 ISIL (Da'esh) and Al-Qaida Sanctions Committee, its Analytical Support and Sanctions Monitoring Team, and the Financial Action Task Force (FATF). He invited participants to reflect upon evolving trends in terrorism financing and ways to adapt responses accordingly while ensuring a coherent approach to supporting Member States in their efforts to comply with their CFT obligations.

7. Assistant Secretary-General Michèle Coninsx, CTED Executive Director, described CTED's work to monitor States' implementation of a wide variety of CFT measures, both within the framework of the country assessment visits conducted on behalf of the Committee and in the context of its ongoing stocktaking efforts. CTED also continuously analysed evolving terrorism-financing trends and methods, as well as States' responses, gaps, and good practices. In accordance with a number of Council resolutions, the thematic scope of CTED's work on CFT had considerably expanded in recent years and now included matters relating to terrorism-financing national risk assessments (NRAs); 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.

8. In the context of its work to identify remaining gaps in States' implementation of their CFT requirements (and as highlighted in the recently updated Global survey of the implementation of Security Council resolution 1373 (2001) by Member States), CTED had noted insufficient progress in analysing risks relating to the financing of terrorism motivated by xenophobia, racism and other forms of intolerance, and the risk that terrorists might benefit from the financial proceeds of transnational organized crime. There remained the persistent challenge of ensuring effective prosecution of terrorism financing based on the required mental elements of the offence, especially in cases where such financing was not linked to any particular terrorist act. There was an urgent need to enhance the specialized expertise of personnel engaged in handling increasingly complex

cases, including those dealing with the abuse of new technologies and emerging payment methods. CTED would continue to work closely with all its partners, including the FATF Global Network, to help Member States counter the threat of terrorism financing while also ensuring compliance with their obligations under international law, including international human rights law, international humanitarian law and international refugee law.

9. Mr. Edmund Fitton-Brown, Coordinator of the Analytical and Sanctions Monitoring Team, provided an overview of the threat posed by ISIL and Al-Qaida, focusing on their financing sources and methods. ISIL was one of the world's wealthiest terror groups. Although its financial resources had been significantly depleted, they were far from fully depleted. Continued counter-terrorism pressure on ISIL's finances and, more importantly, its financial facilitators, was expected to further erode the group's access to those resources. Outside the conflict zone, the Monitoring Team was working to highlight the risks posed by social media in providing a platform for the recruitment, dissemination of propaganda, and financing of ISIL, Al-Qaida, and affiliated groups. The rapid adoption of cryptocurrencies or virtual assets was posing new challenges to law enforcement and regulators as they sought to keep pace. The Monitoring Team remained concerned at the trajectory of terrorist violence in Africa, as well as the impact of events in Afghanistan on the local, regional, and global threat. The Taliban's relationship with Al-Qaida remained close. On 31 August, Al-Qaida had issued a statement congratulating the Taliban on its victory and calling on co-religionists to extend total support to the so-called Islamic Emirate of Afghanistan.

10. Dr. Marcus Pleyer, President of FATF, stressed that the work of FATF, as the setter of global standards to prevent terrorist financing, complemented and reinforced the United Nations counter-terrorism framework. The FATF standards set out detailed measures to be implemented by all States to give practical effect to the relevant Conventions and Security Council resolutions. Within the framework of its mutual evaluations, FATF had noted that many States still did not understand the terrorism-financing risks to which they were exposed. Almost 100 jurisdictions had conducted NRAs covering terrorism financing. Although that number represented progress, there remained a huge blind spot in that area for around half the States of the world. FATF would welcome United Nations support for its efforts to strengthen the capacity of FATF-style regional bodies (FSRBs). Continuing to strengthen engagement with the non-profit sector was a further priority, as some NPOs were vulnerable to misuse for the transferring of terrorist funds. All States (especially those facing small-scale terrorist-financing activity) should continue to enhance their cooperation with the private sector. If States effectively shared information and expertise, it would be possible to make a difference in countering terrorism financing.

## **Session I — Terrorist-financing threats and trends**

11. Mr. Stephen Reimer, Research Fellow at the Centre for Financial Crime and Security Studies of the Royal United Services Institute for Defence and Security Studies (RUSI), provided an overview of RUSI's analysis and actionable ideas at the intersection of finance and security, specifically regarding terrorism financing. In the area of operational financing, attacks funded and directed by networked groups had become less and less common, giving way to attacks perpetrated

by lone-actors or “self-activating” terrorists. There was a need to enhance methods of detecting financial behaviours and to ensure more consistent incorporation of financial intelligence into other counter-terrorism intelligence streams. In the area of organizational financing, RUSI had noted the use of a broad suite of Internet-enabled technologies and platforms, including social media, cryptocurrencies, and other financial technologies such as crowdfunding, for terrorist purposes. Groups motivated by xenophobia, racism and other forms of intolerance were more likely to present themselves openly online, whereas so-called Islamist extremists more frequently used the cover of humanitarian action when soliciting donations online and typically elected to use informal crowdfunding mechanisms via social media, using dedicated platforms. It was essential to remain dynamic in responding to terrorism-financing threats.

12. Mr. Daniel Linares Ruesta, Chief of Operational Analysis of the Financial Intelligence Unit of Peru (FIU-Peru), stressed the importance of addressing and investigating linkages between the financing of terrorism and organized crime. It was essential to integrate financial intelligence gathered by national authorities and through international cooperation into criminal investigations. An investigation conducted by FIU-Peru into a transaction reported by an entity subject to financial monitoring had revealed that several individuals with connections to arms trafficking and other criminal activities were using an organization to transfer funds to individuals associated with terrorist activities.

13. Mr. Ruesta also described Peru’s CFT framework and provided an update on the work of the Financial Action Task Force of Latin America (GAFILAT), including its report on the regional system for assessing and monitoring terrorist-financing risks; good practices on procedures and / or mechanisms for the national designation or execution of requests from third countries in accordance with Security Council resolution 1373 (2001); the updated manual on asset-freezing relating to resolution 1373 (2001); the report on guidelines and challenges on terrorism-financing risks relating to NPOs; and the document on good practices in CFT regulations and monitoring of the NPO sector.

14. Mr. Sergey Teterukov, Executive Secretary of the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG), described the EAG’s experiences with its regional terrorist-financing risk assessments, noting that the Eurasian region was relatively stable when globally rated on the terrorism threat. Nevertheless, the issue of CFT was important to the region, as many individuals from the region had travelled abroad as foreign terrorist fighters (FTFs) and/or were likely to do so. The preliminary conclusions of the first round of the EAG’s regional assessment of terrorism-financing risks had revealed that funds for the financing of terrorism in the States of the region were mainly attracted from legitimate sources. The most common methods were the provision of material assistance by relatives or self-financing. Illegal sources of funding included proceeds from drug trafficking, crimes against property, as well as smuggled cash and bearer negotiable instruments (BNI). Cash was the most popular tool for the transfer of funds. Transfers without opening a bank account and informal remittance systems were also used. Terrorists used the funds mostly for housing, transport, food, medicines, and the purchase of air tickets and other travel documents for the movement of FTFs to zones of armed conflict. The assessment would be further updated by May 2022 to take into account the impact of the August 2021 events in Afghanistan.

15. Mr. Masood Karimipour, Chief of the Terrorism Prevention Branch of the United Nations Office on Drugs and Crime (UNODC/TPB), briefed participants on the work of UNODC/TPB to assist Member States to understand and mitigate terrorism-financing risks associated with cash and money or value transfer services (MVTs). Cash and MVTs played a key role in terms of financial inclusion. MVTs provided the main form of financial intermediation in most developing countries that lacked the required infrastructure, trust, or regulatory regimes to encourage the use of regulated banking services. They also often provided the only opportunity for women and other vulnerable population groups, such as displaced persons or refugees, to access funds for basic human needs. MVTs and cash disbursements were also often used to provide invaluable humanitarian assistance. In many States, cash and MVTs remained key parts of the shadow economy and provided an opportunity to avoid taxation. They were abused to commit invoice fraud and other trade-based money-laundering techniques to route their funds into the international banking system. In the context of the technical assistance provided by UNODC, priority areas included (i) focusing on understanding the threats to the sector and investigating the use of the sector by terrorism-financing networks; (ii) broadening terrorism-financing disruption options; and (iii) strengthening law enforcement, security and regulatory institutions and the professional skills within those authorities. This also included developing strong legislative and regulative frameworks to counter the anti-money-laundering/countering the financing of terrorism (AML/CFT) risks posed by the use of MVTs or cash.

16. Mr. Etienne Tabi Mbang, Principal Inspector of Financial Authorities of the Action Group against Money Laundering in Central Africa (GABAC), presented GABAC's experience and analysis of typologies relating to raising funds for terrorist purposes through the exploitation of natural resources. Illicit trafficking in fisheries and wildlife resources, trafficking in precious stones and metals, theft, raids on livestock and, to a lesser extent, the illegal exploitation of forests and coal were the main types of terrorist financing linked to the environment. Concrete cases of such financing had been identified in some Central African States. The main challenges to addressing the terrorism-financing threat in the region were: (i) the presence of Boko Haram, the Lord's Resistance Army (LRA), the Allied Democratic Forces (ADF), and other armed groups and their involvement in cross-border criminal activities; (ii) the porosity of national borders in the Lake Chad Basin region; (iii) the informal nature of economic exchanges and the existence of an itinerant economy based on the sale of products; (iv) concealment of transactions and gaps in cross-border cooperation; and (v) corruption and shortcomings in the implementation of AML/CFT standards.

## **Session II — Efforts to implement the requirements of resolution 2462 (2019)**

17. Ms. Manon Perrière, Deputy Director of the French Intelligence Processing and Action against Illicit Financial Networks Unit (TRACFIN), described TRACFIN's experiences in the integration and use of financial intelligence in terrorism-related cases. TRACFIN defined its strategy in the fight against terrorism financing around 4 main axes: (i) to develop sustained cooperation with other French intelligence services; (ii) to strengthen its cooperation with the judicial authority; (iii) to stop, as far as possible, financial circuits linked to terrorism; and (iv) international cooperation. Based on lessons learned from practical cases, there was a need to: (i) ensure broader access to financial or other information held by other administrative services or by

their counterparts abroad; and (ii) develop operational partnerships at the national or international level to strengthen the dissemination of information received by those cells or obtained through their investigations.

18. Mr. Ahmad Al Falasi, Head of the Sanctions Implementation Executive Office of the Committee for Goods and Materials Subjected to Import and Export Control of the United Arab Emirates, described his country's experiences in implementing asset-freezing mechanisms pursuant to Council resolutions 1373 (2001), 1267 (1999), 1989 (2011) and 2253 (2015). The national legal framework clarified the roles and obligations of government authorities and private-sector entities in implementing targeted financial sanctions (TFS) without delay, with respect to persons and entities designated pursuant to the relevant Council resolutions. A dedicated subcommittee, which included representatives of various government authorities, had been established to promote the relevant policies and procedures. The United Arab Emirates used an intragovernmental workspace to streamline the exchange of TFS-related information between the various government authorities. The workspace included reports of potential or confirmed matches identified by government authorities (local and foreign intelligence) regarding potential sanction-evasion activities; dissemination of information relating to TFS by the FIU; and any suspicious shipment activity that might be linked to TFS or sanctions evasion, based on export-control information.

19. The Asia/Pacific Group on Money Laundering (APG) was scheduled to deliver a presentation on the "Implementation of the risk-based monitoring and supervision of virtual asset service providers", but the presentation was cancelled owing to compelling circumstances. The content of the presentation is available on the Counter-Terrorism Committee's website (<https://www.un.org/securitycouncil/ctc/>).

20. Mr. Zeeshan Amin, Senior Programme Management Officer of the United Nations Office of Counter-Terrorism (UNOCT), briefed participants on the work of UNOCT to coordinate the delivery of technical assistance to Member States in the area of CFT. In accordance with resolution 2462 (2019), UNOCT had developed the Global Coordinated Capacity-Building Programme on Detecting, Preventing and Countering the Financing of Terrorism, which was based on five pillars of activities and envisaged strategic partnerships with major capacity-building actors and centres of excellence on CFT, including those outside the United Nations system. One of the main criteria for monitoring and evaluation effectiveness was the forum that the Platform provided for all relevant United Nations entities to engage in discussions on counter-terrorism, including on topics such as respect for human rights; providing operational space for CSOs; and enhancing understanding of, and raising awareness of, emerging typologies that terrorists used or could use to raise funds. The Programme was implemented in close collaboration with CTED in order to address specific CFT needs identified through comprehensive consultations with the beneficiary States, as well as with reference to the assessment reports of the Counter-Terrorism Committee. The Programme also sought to further strengthen partnerships, especially with FSRBs.

21. Mr. Ben Evans, Senior Associate and Co-Founder of the Greenacre Group, described the group's work to assist Member States to conduct periodic risk assessments of their non-profit sectors to inform the implementation of a risk-based approach. Overall compliance with FATF Recommendation 8 on preventing abuse of the NPO sector for terrorism-financing purposes was

low. It was essential to understand the specific risks faced by the sector. The impact of poor risk assessments was broader than a technical issue of non-compliance. Because of the diversity and complexity of the NPO sector, it was crucial that States properly identify risks. However, that same diversity and complexity made identifying risks much harder. Solutions to that challenge were being developed. Collaboration with the NPO sector had led to higher quality risk assessments and helped raise the awareness of, and strengthen compliance by, the NPO sector. The Greenacre Group considered its collaboration with Tunisia as a “success story” in effectively supporting a State in this area.

## **“Discussion” session**

22. During the “discussion” session, twenty-four statements were delivered by Member States and international organizations from the floor. Speakers expressed their strong commitment to fighting terrorism financing in accordance with the relevant Council resolutions and FATF standards, while also noting the importance of safeguarding human rights when designing and implementing CFT measures and policies. Speakers also welcomed the work of CTED and the Monitoring Team and stressed the importance of their partnership with FATF and its Global Network. Several speakers also noted the importance of integrating financial intelligence into terrorist investigations; the important role played by FIUs; the importance of addressing the possible misuse of NPOs for terrorism-financing purposes; the need to continue to identify and fill existing gaps in CFT measures; the important role played by the private sector in CFT; and the need for all relevant stakeholders to continue to strengthen their dialogue in that regard.

## **Closing remarks**

23. In her closing remarks, H.E. Ms. Trine Heimerback, Chair of the Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015), welcomed the informative presentations of the panellists and the interventions of the participants, which attested to the importance of the topic under consideration for all Member States.