

Final statement - International conference on combating the financing of Daesh and Al-Qaeda (Paris, 25-26.04.18)

Honouring all the victims of terrorism,

We, member States of the Financial Action Task Force (FATF), of FATF-Style Regional Bodies (FSRBs), of the G20 and of the Global Coalition against Daesh, in the presence of international and regional organizations and agencies, met in Paris on April 26, 2018, to discuss the ways and means to strengthen the efficiency of our action against terrorism financing, on the basis of the work accomplished since the adoption of the International Convention for the Suppression of the Financing of Terrorism (1999), of United Nations Security Council Resolution 1373 (2001) and of the experience developed during our common fight to defeat Islamic State in Irak and the Levant (ISIL / Daesh) in Syria and Iraq.

We underline that an integrated approach to countering terrorism and terrorism financing is crucial.

Together we commit to stepping up our national and collective involvement in the fight against the financing of terrorist individuals, groups, undertakings and entities associated with ISIL (Daesh) and Al-Qaeda, which builds on our long standing commitment to fighting the financing of all terrorist groups.

We commit in particular to adopting the following decisions and measures:

(1) Further reinforcing the domestic legal and operational frameworks to collect, analyse and share information by national authorities

By fully criminalizing terrorism financing, including the financing of terrorist travel and recruitment and applying effective, proportionate and dissuasive criminal sanctions, even in the absence of a link to a specific terrorist act.

By strengthening the effectiveness of the operational chain: each of us commits to establish or strengthen, at the national level, the framework (e.g. interagency task forces and fusion centers), allowing financial intelligence units, intelligence and investigation services, prosecutorial and/or judicial authorities, law enforcement agencies and other competent authorities, to gather and share information on the financing of the individuals, groups, undertakings and entities associated with terrorist groups, including foreign terrorist fighters, relocators and returnees, with minimal barriers to this exchange, while respecting applicable legal frameworks for human rights, privacy and data protection.

By encouraging competent national authorities, in particular financial intelligence units and intelligence services, to establish effective partnerships with financial and private sectors concerning the evolution of the trends, sources and methods of financing of terrorist individuals, groups, undertakings and entities, and to share tactical information, as appropriate.

By strengthening the capabilities of our competent authorities, in particular financial intelligence units, including with relevant IT resources.

By increasing the consultation with reporting entities and their involvement when developing and implementing guidelines and indicators of suspicious transactions for the private sector, in order to improve disruption strategies, early detection and prevention of terrorist financing and the quality of the information transmitted by the private sector.

By raising the awareness of concerned private sector representatives and authorities, including export control bodies, with regard to the risk of terrorist individuals, groups, undertakings and entities acquiring weapons, including weapons of mass destruction, as well as sensitive goods and technologies.

(2) Fighting anonymous financial transactions

By enhancing the traceability and transparency of financial flows: we commit to strengthen information sharing frameworks with the private sector, as appropriate, under which competent authorities can obtain relevant information, including on beneficial ownership. These frameworks should also contribute to fight document fraud, to trace, detect, sanction and effectively dismantle illegal money transmitters and to tackle the risks associated with the use of cash, informal remittance systems (including hawalas), prepaid cards, and anonymous means of payments.

By working with financial institutions and designated non-financial businesses or professions to ensure they fulfil obligations under domestic anti-money laundering and counter terrorist-financing legislation, with effective, proportionate and dissuasive sanctions whether criminal, civil or administrative (e.g. warnings, fines, accreditation or registration withdrawal) and, where appropriate, by promptly informing their home State supervisor so that it may take appropriate action.

By making the most of the opportunities offered by new and emerging financial and regulatory technologies (such as digital identity and mobile banking innovations) to foster financial inclusion and facilitate access and delivery of financial services to customers, businesses and communities that would otherwise use informal channels, while developing the supervisory and legal frameworks to further secure identification of customers.

(3) Enhancing the traceability and transparency of non-profit organizations (NPOs) and charitable funds

By ensuring urgently effective implementation of FATF standards relating to non-profit organizations to mitigate the risks of abuse for terrorist financing by targeted and risk-based measures, while ensuring not to disrupt or discourage civil society activities.

(4) Anticipating and addressing the risk of new financial instruments being abused

By recognizing that innovative financial technologies, products and services may offer significant economic opportunities but also present a risk of being misused, including for terrorist financing. We commit to implement the FATF standards as they apply to crypto-assets, look forward to the FATF review of those standards, and call on the FATF to advance global implementation.

(5) Partnering with the private sector, especially the tech industry, in the fight against terrorist financing

By promoting more active cooperation from the tech industry, including major Internet and social media platforms, with financial intelligence units, law enforcement, intelligence and investigation services, to counter terrorism financing and online terrorist content, including terrorist recruitment, violent extremism conducive to terrorism, notably through the dialogue undertaken by some participating States and international organisations with Internet and social media platforms.

By encouraging Internet and social media platforms to further promote counter-narratives by civil society.

With regard to risks associated to online collection of funds, by fully implementing current standards and calling collectively on the tech industry, including major Internet and social media platforms, to adopt robust guidelines for the use of crowd-financing, payment services and community guidelines.

By calling on the private sector to consider enhanced due diligence when operating in high-risk sector and jurisdictions to mitigate the risk of financing terrorism along its supply chains.

(6) Reiterating the usefulness of international and national asset freezing and seizure mechanisms

By recalling the importance of ratification and implementation of the International Convention for the Suppression of the Financing of Terrorism (1999), as well as all relevant UNSC Resolutions related to terrorist financing and other international law and norms and further encouraging participating States to put forward designations of individuals, groups, undertakings and entities that are involved in the financing of terrorist activities on the UN Sanction Lists, including on the ISIL (Daesh) and Al Qaida Sanctions Lists, using as much detailed information as possible when putting forward these designations.

By effectively implementing the counter-terrorism financing provisions of the United Nations Global Counter-Terrorism Strategy.

By effectively implementing asset freezing mechanisms pursuant to UNSC Resolution 1373 to hinder terrorist activities.

By strengthening cooperation with intelligence services and financial intelligence units according to their respective competencies in the identification of financial networks supporting terrorist organizations and in the development of asset-freezing designations and requests.

By utilizing the INTERPOL-UNSC Special Notices to help implement Security Council sanctions by alerting law enforcement agencies across the globe that an individual or entity is subject to a measure, such as a travel ban or an asset freeze.

By enhancing our counter-terrorism measures, including by investing resources in domestic sanctions regimes development and implementation, and in seizure of funds in the course of investigations.

(7) Bolstering the effectiveness of international cooperation

By improving the quality of the information shared internationally between our financial intelligence units on terrorism financing, the financing of foreign terrorist fighters, returnees and relocators, isolated actors, and on the activities of terrorist fundraisers, in all jurisdictions.

By publicizing national asset freezing decisions.

By responding promptly and appropriately to the international cooperation requests expressed by all the actors of the operational chain to their relevant counterparts against terrorism financing and sharing information spontaneously, with the support of international organizations and competent agencies where necessary.

By responding as appropriate to mutual legal assistance and extradition requests by competent judicial authorities.

By fighting all sources of terrorist financing and networks, notably those which stem from transnational organized crime and unlawful activities, in particular illegal trafficking, and by enhancing cross-border cooperation among and between customs and tax authorities, as well as coordinated international police and customs operations.

(8) Support the authority, visibility and resources of the FATF and FSRBs

By re-affirming the central role played by the FATF, as the global anti money laundering and counter terrorist financing standard-setting body, and calling for the full, effective and swift implementation of the FATF standards worldwide.

By supporting the FATF to further strengthen and adapt its institutional basis, governance and capacity to its enhanced role.

By reinforcing the mutual evaluation process, by giving the FATF and the FATF-Style Regional Bodies the necessary resources to that end, also through the provision of trained assessors.

By enhancing the publicity and dissemination of the FATF's reports and research on financing of terrorism risks, trends and methods and the FATF's and FSRB's mutual evaluations reports.

(9) Strengthening the collective engagement vis-à-vis States that fall short of standards or that lack capacity

By enhancing coordination of our respective technical and financial assistance for States that lack capacity regarding the risk of terrorist financing and by providing adequate training for experts.

By recognizing that all stakeholders, individual States as well as international organizations, should draw appropriate consequences from the fact that a given jurisdiction is being identified by the FATF as not fulfilling its commitments to address strategic AML-CFT deficiencies. In line with FATF standards, countries should be able to apply appropriate countermeasures proportionate to the risks when called upon to do so by the FATF or independently if necessary.

Beside those countermeasures, consequences drawn by countries or international organizations could also include, inter alia, enhanced technical assistance or any other measures for the FATF listed jurisdictions to progress. We acknowledge the frameworks already put in place by some countries or international organizations. In particular, we underline the importance of the existing policy frameworks put in place by the International Monetary Fund, the World Bank and the United Nations. We call on all stakeholders, individual States as well as international organizations, to consider putting in place coordinated policies and, where they already exist, to review and update them as appropriate by the end of 2018.

(10) Maintaining our common mobilization against terrorist financing

We thank the FATF for its leadership in fighting terrorism financing and the IMF, OECD, UN and the World Bank for their continued support.

We decide to meet again in 2019 to assess progress and thank Australia for hosting.

<https://www.diplomatie.gouv.fr/en/french-foreign-policy/defence-security/events/article/final-statement-international-conference-on-combating-the-financing-of-daesh>