

# Tackling the Financing of Terrorism

**Website:**

[www.un.org/terrorism/financing.shtml](http://www.un.org/terrorism/financing.shtml)

**Members:**

- International Monetary Fund (IMF) (lead)
- United Nations Office on Drugs and Crime (UNODC) (lead)
- World Bank (lead)
- Al-Qaida Analytical Support and Sanctions Monitoring Team (1267 Monitoring Team)
- Counter-Terrorism Implementation Task Force (CTITF) Office
- Counter-Terrorism Committee Executive Directorate (CTED)
- International Criminal Police Organization (INTERPOL)

**Purpose:**

The Working Group on Tackling the Financing of Terrorism reflects the UN Global Counter-Terrorism Strategy (henceforth, Global Strategy), which calls on specific bodies to “enhance cooperation with states to help them comply fully with international norms and obligations to combat money laundering and the financing of terrorism.”<sup>270</sup> In the Global Strategy, states are encouraged to implement the Financial Action Task Force’s (FATF) Forty Recommendations on Money Laundering and Nine Special Recommendations on Terrorist Financing.

This working group is led by the International Monetary Fund (IMF), the World Bank, and the UN Office on Drugs and Crime (UNODC), who work with the supporting bodies listed above to examine the current strategies being undertaken to address various components of terrorist financing and recommend ways to increase effectiveness and ensure implementation of relevant international standards. The working groups works towards these objectives by

- reviewing available literature on the implementation of interna-

tional standards by member states for combating terrorism;

- reviewing statistical data and other relevant information regarding the implementation, and obstacles to the implementation, of international standards for combating the financing of terrorism;
- soliciting input from a range of experts within a variety of sectors and communities, including new ideas for effective implementation of international standards.<sup>271</sup>

From February 2007 to December 2008, the working group conducted eight roundtable meetings with stakeholders (experts in the fields of banking, financial regulation, national security intelligence, financial intelligence, law enforcement, and criminal justice) from various regions. By 2008, the working group had also completed a literature and statistical review of implementation of relevant international standards by member states.<sup>272</sup>

In October 2009, the task force built on the knowledge gained from these meetings and published a report entitled *Tackling the Financing of Terrorism*, which contains thirty-six findings and forty-five recommendations to help member states enhance their efforts to combat terrorist financing. The report offers recommendations in five areas: (a) the criminalization of terrorist financing, (b) the enhancement of domestic and international cooperation, (c) value transfer systems, (d) nonprofit organizations and (e) the freezing of assets.

The IMF has prepared an action plan to implement the report's recommendations, and most of the entities participating in the working group have already integrated elements of the recommendations into their own work programs.<sup>273</sup> For instance, the Al-Qaida Analytical Support and Sanctions Monitoring Team (1267 Monitoring Team) is cooperating closely with the Financial Action Task Force (FATF) and the Egmont Group,<sup>274</sup> and liaises with the private sector to review and promote regulation of nonprofit organizations, suspicious activity/transaction reporting (SAR/STR) systems,<sup>275</sup> remittance systems, new electronic cash transfer systems, and cash couriers.<sup>276</sup>