



FINANCIAL ACTION TASK FORCE

**OPERATIONAL**

REPORTS ON FIGHTING

**TERRORIST**

**FINANCING**

# HOW CAN COUNTRIES FIGHT TERRORIST FINANCING *EFFECTIVELY?*

The core elements of a robust  
counter terrorist financing framework





# DISRUPTING TERRORIST FINANCING

The FATF has developed a range of tools and guidance to help detect, disrupt, punish and prevent terrorist financing, these include:



The ability to swiftly freeze funds and other assets is one of the key mechanisms to disrupt terrorist financing. Targeted financial sanctions regime established under the **United Nations Security Council Resolution 1373** provides states with powers to request other countries to block terrorists' access to funds and assets held and prevent the use of the financial system. The FATF created a secure site, which encapsulates relevant information on various domestic TFS regimes and provides a "step-by-step" guide to practitioners to facilitate foreign requests for application of domestic sanctions.

It should also be noted that when making requests for domestic sanctions pursuant to UN Resolution 1373, states should use the phrase "without delay" and that the request goes beyond the requested country to take freezing action without delay".

Note: For the purposes of S/RES/1373(2001), the phrase 'without delay' means upon having information that a person, entity or organisation is involved in terrorism or a terrorist organisation. The phrase 'without delay' should be interpreted in the context of the relevant domestic laws, and those who finance terrorism. (See the [Glossary to the FATF Recommendations](#))

FATF	APG
<ul style="list-style-type: none"> <li><a href="#">Argentina (04/08/2016)</a></li> <li><a href="#">Australia (01/08/2016)</a></li> <li><a href="#">Austria (30/01/2017)</a></li> <li><a href="#">Belgium (06/01/2017)</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Afghanistan</a></li> <li><a href="#">Bangladesh(15/01/2018)</a></li> <li><a href="#">Bhutan(04/01/2018)</a></li> <li><a href="#">Brunei Darussalam(04/01/2018)</a></li> </ul>

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Effective investigation and prosecution of terrorist financing cases continues to represent a major challenge for many jurisdictions across the globe. **Anti-money laundering and counter terrorist financing for judges & prosecutors** highlights useful elements and best practices, including the need for international cooperation.



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Detecting terrorist financing activity can be difficult for financial institutions and designated non-financial businesses and professions. The report **Detecting Terrorist Financing: Relevant Risk Indicators** provides useful indicators of suspicious activity and sets out how private and public sector should use the indicators effectively.



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The effective sharing of information and intelligence between agencies at a domestic level is critical to the fight against terrorism and terrorist financing. In the report **Counter Terrorism and Counter Terrorist Financing Information Sharing**, the FATF has clarified which policymakers, experts and authorities are involved. It has also highlighted challenges and examples of good practical tools and practices to effectively share information that will help identify and disrupt financial flows with links to terrorism.

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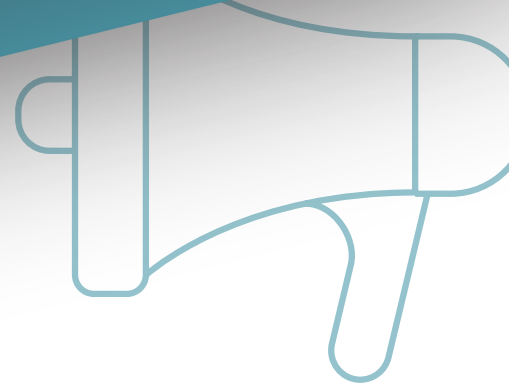
Terrorists can use various sophisticated techniques to conceal their illegal actions. **Terrorist Financing Disruption Strategies**, provides comprehensive guidance to operational authorities to disrupt financing of terrorist groups and individual terrorists. The guidance also identifies novel ways in which competent authorities can work together to disrupt terrorist financing.



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# RISK REPORTS




The FATF issues regular reports to raise awareness about new and evolving terrorist financing risk. Recent reports include:



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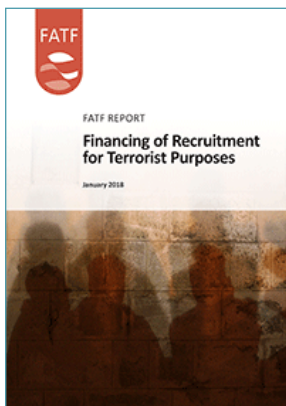


Identifying, understanding and assessing terrorist financing risks is at the core of developing effective measures to mitigate them. To assist practitioners in assessing these risks, the FATF issued its **Terrorist Financing Risk Assessment Guidance**, which provides good practices, relevant information sources and practical examples based on country experience. Recognising that there is no “one-size-fits all” approach when assessing terrorist financing risks, this guidance provides relevant information sources and considerations for different country contexts.

 ISIL's ability to raise, move and use funds has evolved significantly since the start of combat operations. In response to these changes, the FATF decided in October 2016 to produce regular confidential updates on ISIL financing. It later expanded these updates to cover Al-Qaeda. These internal reports provide an overview of the sources of financing of **ISIL, Al-Qaeda and their affiliates**, as well as expenditure, financing management techniques and facilitation networks.



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Terrorist groups need both financial and human resources to commit attacks and spread their ideology. In 2018, the FATF published its report **Financing of Recruitment for Terrorist Purposes**, which explains how terrorist organisations fund their recruitment process. The report assists authorities in detecting and disrupting such activities. The report identifies the most common methods of recruitment used by terrorists, and the costs associated with these methods.

 For almost a decade, international terrorist organisations have committed terrible attacks in West and Central Africa. Terrorist organisations and groups are different in nature, but all require funds to carry out their atrocities. As ISIL demonstrated in Syria and Iraq, regional threat can spread to affect the global community. **Terrorist Financing in West and Central Africa** looks at the funding sources of terrorist groups operating in West and Central Africa. It identifies the region's challenges to regulate financial products and sectors, and emphasizes the need for better cross-border collaboration.



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More about countering terrorist financing at [www.fatf-gafi.org](http://www.fatf-gafi.org)

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