

Committee: ECOFIN

Topic: The question of financing for terrorist organisations

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Summary

The issue of financing for terrorist organizations isn't a new phenomenon, but the recent scale of the issue in relation to the war in Syria and Iran. The discourse surrounding it focuses on all aspects, from the question of suppressing the financing of terrorism via, freezing accounts thought to be associated with known terrorist groups. Primarily the UN is focusing on strengthening and developing the capacity of criminal justice and law enforcement, in order to investigate, prosecute and examine terrorist financing. Though, of course, many states have raised the ethical implications involved with prosecuting those who have links with transnational organized terror groups, as well as a states' duty to protect individuals within their authority, while also complying with international guidelines about prosecuting terrorists and those who have links with them, under humanitarian laws. Primarily the UN is focused on how to determine illicit cross-border transportation of currency, as well as preventing the abuse of non-profit organizations and alternative payment systems for the purpose of financing terrorism.

Definition of Key Terms

LEDC – Lesser Economically Developed Countries

Geneva Convention– Consists of four treaties, and three additional protocols, that establish international legal standards for humanitarian treatment in war.

Armed conflict– Consists in the use of armed force between two or more organized armed groups, governmental or non-governmental.

Non-state actor (NSA)— Organizations/ individuals that are not affiliated with, directed by, or funded by any government.

Background Information

Any crime which results in a profit can be used to finance terrorism, which means that a country may face terrorism finance risks even if the risk of a terrorist event/attack is low. There is an equal amount of risk to both LEDCs and MEDCs with regards to financing for terrorist organizations, as continued support of terrorist organizations spell out more deaths, more violence and further human displacement for any country. It is worth noting that global jihadist groups are the largest terrorist group, that are the biggest problem facing them, in regards to terrorist groups. Global jihadist groups are likely to be the largest, most persistent transnational threat, as well as a threat within their home regions. They benefit from a coherent ideology that promises to deliver radical social change in the Muslim world, as well as from strong organizational structures, and from the ability to exploit large areas of virtually ungoverned or ineptly governed territory, in particular in Africa, the Middle East and South Asia, which have a significant amount of LEDC countries within the stated territories. Furthermore, terrorist groups are known to promote hateful ideology, which often turns into real life violence against members of the public (typically minority groups). Extreme “right wing,” and “left wing” terrorist groups often promote anti-government extremism, environmentalism and racism, and usually may revive in Europe, Latin America, North America, and perhaps other regions.

Major Countries Organizations Involved

United States of America- The Treasury Department performs a critical and far-reaching role in enhancing national security by implementing economic sanctions against threats to the USA., identifying and targeting the financial support networks of their financial systems.

The international standard for the fight against money laundering and the financing of terrorism has been established by the Financial Action Task Force (FATF), which is a 33-member organization with the main responsibility for developing a world-wide standard for anti-money laundering and combating the financing of terrorism.

France- This member state mobilized countries determined to identify and drain all the sources of terrorist financing. Representatives from 70 countries and leaders of some 20 international and regional organizations and specialized agencies attended the first No Money for Terror Conference.

Timeline of Events

<i>Date</i>	<i>Description</i>
1979	The year 1979 was a turning point in international terrorism. Throughout the Arab world and the West, the Iranian Islamic revolution sparked fears of a wave of revolutionary Shia Islam.
1982	Radical Shia group formed in 1982 in Lebanon. Strongly anti-Western and anti-Israeli. Known or suspected to have been involved in numerous anti-U.S. terrorist attacks, including the suicide truck bombings of the US Marine barracks in Beirut in October 1983 and the U.S Embassy annex in Beirut in September 1984.
1979 to 1989	Meanwhile, the anti-Soviet invasion of Afghanistan and the subsequent anti-Soviet mujahedeen war, lasting from 1979 to 1989, stimulated the rise and expansion of terrorist groups.
2001	The September 11 attacks, commonly known as four coordinated suicide terrorist attacks carried out by Al-Qaeda against the US in 2001.

Relevant UN Treaties and Events

1999- International Convention for the Suppression of the Financing of Terrorism

2001- Security Council resolution 1373

2019- Security Council resolution 2462

2021- The Counter-Terrorism Committee and the Al-Qaida Sanction Committee held a joint special meeting at United Nations Headquarters, New York on "Terrorist-financing threat"

Previous Attempts to solve the Issue

-The Treasury Department initiated the Terrorist Finance Tracking Program to identify, track and prosecute terrorists and their networks.

International Convention for the suppression of the financing of terrorism (1999)- a resolution by the UN calling upon member nations to enhance international cooperation among States in devising and adopting effective measures for the prevention of the financing of terrorism.

Possible Solutions

Technological innovations that expand surveillance capacity may aid in helping governments to combat terrorists, despite any outstanding challenges posed by poor governance.

The amalgamation of known terrorists profiles could help in linking potential terrorists, and their financiers, and as well as preventing future transactions from taking place, by tracking the source of a terrorist group's finance.

Development of precision long-range strike capabilities might undermine terrorist safe havens that are inaccessible to police or infantry forces.

Augmented reality environments could enable virtual terrorist training camps which could help to train armed forces to detect and prevent the transportation of physical money, as well as in seeking out areas suspected of hosting money laundering schemes. This could connect experienced plotters protected by their often inaccessible areas of housing, with potential operatives.

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