

AIR Spotlight: 3rd Ministerial Conference on Countering Financing of Terrorism

AIR Spotlight is an insightful program featured daily on the All India Radio Newsonair. In this program, many eminent panellists discuss issues of importance which can be quite helpful in [IAS exam](#) preparation.

This article is about the discussion on the 3rd Ministerial Conference on Countering Financing of Terrorism.

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Context

The third Ministerial Conference on Counter-Terrorism Financing was held in New Delhi.

Details

- Terrorism is an evolving global threat and one of the major reasons for the sustenance of terrorism is terror financing or funding.
- Measures undertaken to curb terror financing or funding will help address the menace of terrorism.
- In this context, India recently hosted the “**No Money for Terror**” (NMFT) Conference. This is the third Ministerial Conference on Counter-Terrorism Financing.

No Money for Terror (NMFT) Conference

- The key agenda behind the NMFT conference is to share expertise and good practice in combating terror financing that can be implemented internationally.
- The NMFT started in 2018 as an initiative of the French Government and the first-ever conference was held in Paris in April 2018.
 - This conference was named “International conference on combating the financing of Daesh and Al-Qaeda”.
 - Through this conference, the delegates agreed to fully criminalise terrorism financing, improving the traceability and transparency of financial flows by developing frameworks and also reiterated the need for effective implementation of UN sanctions, cooperation on intelligence sharing and capacity building between the countries.
- Later, the second round of the conference was hosted by Australia in Melbourne in November 2019.

- Through this conference, kidnapping for ransom and the advent of new-age technologies like [cryptocurrencies](#) were recognised as new channels of terrorism financing.
- The third edition was held in India recently. The key focus of the latest edition of the conference was on international cooperation in combating terror funding and sharing of experience, understanding and best approaches to combat such threats with a special focus on the South Asian region.

Terror financing

- Terrorists require a significant amount of financing to recruit cadres, support members, maintain logistics hubs, provide basic technical support and conduct operations.
- Terror financing or funding refers to the means and methods through which terror outfits finance their activities.
- Terror financing can be broadly categorised into two sources namely:
 - **External sources:** External sources refer to funding from sources outside the territories of a county.
 - These sources are complicated sources to control and monitor.
 - These include funding from abroad via NGOs or other agencies, funding through drug trafficking, smuggling of fake currencies, etc.
 - **Internal sources:** Include the funds generated within the territories of a county.
- The mode of transferring funds is also a crucial aspect of terror financing. The mode of transferring can include the transfer of money through legal channels such as banks and trade entities. Money can also be transferred through illegal/unorganised channels such as hawala transactions.

Third NMFT Conference

- The third NMFT conference has gained a lot of attention globally because it is being hosted by India which follows a “zero tolerance approach” towards terrorism.
- The conference was attended by over 450 delegates from across the world which included Ministers, Heads of Multilateral organisations and the [Financial Action Task Force \(FATF\)](#).
- The conference was held in four sessions with each of the sessions focusing upon key issues such as:
 - Global Trends in Terrorism and Terrorist Financing
 - Use of Formal and Informal Channels of Funds for Terrorism
 - Emerging Technologies and Terrorist Financing
 - International Co-operation to Address Challenges in Combating Terrorist Financing
- The Prime Minister of India warned against any ambiguity in tackling terrorism and said that there is no good terrorism and bad terrorism as it is an attack on humanity, freedom and civilisation.

- The Prime Minister also highlighted the importance of adopting a uniform, unified and zero-tolerance approach to combat terrorism.
- Further, India proposed a permanent secretariat for the NMFT conference.

Efforts undertaken by the government in India to combat terrorism

- **National Investigating Agency (NIA):** In the wake of the Mumbai terror attack in 2008, the [National Investigation Agency \(NIA\)](#) was established through the NIA Act, 2008.
 - NIA is currently functioning as the Central Counter Terrorism Law Enforcement Agency in India.
- **Terror Funding and Fake Currency (TFFC) division:** A Terror Funding and Fake Currency (TFFC) division has been set up in NIA to conduct focused investigations of terror funding and fake currency cases.
- Strengthening and enhancing the provisions of various terrorism-related legislations in the country such as the [Unlawful Activities \(Prevention\) Act, 1967](#) through amendments.
- Enhancing security at the international borders through the use of advanced surveillance technology, deploying additional manpower, round-the-clock surveillance, and intensive patrolling.
- Intelligence and security agencies of both the Union and States working in tandem to keep a check on terror funding activities.
- Increased training programmes for the State Police personnel on various issues.
- Thorough and effective implementation of various global standards set by international organisations agencies such as UNSC and FATF.

Mechanisms available to counter terror financing at a global level

- **Financial Action Task Force (FATF):** FATF came into existence through the G-7 Summit that was held in Paris in 1989.
 - FATF is entrusted with the task of examining money laundering techniques and trends and reviewing the actions undertaken by respective governments.
- **Interpol:** Interpol is the world's largest international police organization which was established in 1923.
 - Interpol currently has over 194 member countries and it enables cross-border police cooperation and supports and assists all organisations, authorities and services whose mission is to prevent or combat international crime.
 - The 90th General Assembly of [Interpol](#) was hosted by India recently.
- **UN Security Council Counter-Terrorism Committee Executive Directorate (CTED):** CTED is a Special Political Mission that was established by the [UN Security Council](#) in 2004 to assist the work of the Counter-Terrorism Committee (CTC) and coordinate the process of monitoring the implementation of resolution 1373 (2001) which was a counterterrorism measure passed following the 9/11 terrorist attacks on the US.

- **United Nations Office of Counter-Terrorism (UNOCT):** The United Nations Office of Counter-Terrorism (UNOCT) was established in 2017.
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