© 2020 by The American Society of International Law
DOI:10.1017/ilm.2020.16

INTRODUCTORY NOTE TO UNITED NATIONS SECURITY COUNCIL RESOLUTION 2462

BY WILLIAM CASEY KING* AND RICHARD GORDON**

[March 28, 2019]

Introduction

On March 28, 2019, less than two weeks after the Christchurch, New Zealand massacre, the United Nations Security Council unanimously adopted Resolution 2462. It stands as a signal of the United Nations' continued recognition of the critical importance of finance in combatting and countering global terrorism. Unfortunately, it may also be an indication that states are not doing what they have been urged to do in previous resolutions. The text of 2462 and its preamble are riddled with language like "Reminding," "Reaffirming," "Encouraging," and "Noting with Concern," rather than with language and ideas that break new ground.

Major counterterrorism resolutions can be traced to Resolution 1267 in 1999 directed toward the threat of the Taliban and al-Qaida.[1] After 9/11, Resolution 1373 (2001) adopted the framework of 1267, but vastly increased its scope. It is, perhaps, deliberately vague. It does not define "terrorism" *per se*, but allows States to identify specific threats and adopt countermeasures *ad hoc*.[2]

Though in part prompted by the Christchurch shooting, the Security Council recognized that the time was right to revisit, reaffirm, and supplement Resolution 1373 with the perspective of nearly two decades of the implementation of measures to combat terrorism. As noted above, Resolution 2462 asks that Member States do what they have been asked to do in previous resolutions: criminalize terrorist financing, freeze and seize assets of terrorists, and implement a robust system of financial regulations to prevent and deter the use of the financial system by terrorists and terrorist networks. In addition—and not surprisingly—Resolution 2462 speaks to emerging threats posed by the use of virtual assets as more bad actors seek to elude the net placed by regulatory and compliance efforts of traditional financial institutions. It also calls for the increasing use of technology to mitigate threats of terrorist financing.

This note will focus on two significant implications of this resolution, one of which is the Resolution's tacit recognition of the critical role into which the Financial Action Task Force (FATF) has grown over the past two decades. The other—which is more controversial—is the unforeseen consequences of the Resolution's impact on non-profit organizations ("NPO"), despite its explicit calls for their protection and the protection of humanitarian aid in international law.

The Recognition of What The FATF Has Become

When the terrorist attacks on 9/11 caught the world off guard, the international community recognized that combatting the financing of terrorism (CFT) was critical to arresting the flow of funds to bad actors. The problem was there were few mechanisms and institutions available to deploy against the threat. Among the tools available was a body of anti-money laundering (AML) laws (the majority of which were drafted to combat international drug trafficking), and among the international organizations was the Paris-based Financial Action Task Force on Money Laundering. The FATF was formed in 1989, following a call from the Paris G-7 Summit in recognition of the vulnerability of the banking system and financial institutions to money laundering. It was strictly an advisory committee, not an international organization.[3] In 1990, the FATF released a set of best practices called the Forty Recommendations, which was effectively a strategy for preventing, deterring, investigating, and prosecuting money laundering. It was not until 9/11, however, that its efforts were adopted and deployed for a quite different purpose: the prevention of terrorist financing. Anti-money laundering aims to make for-profit criminal activity less profitable, but the motive of terrorist activity is something entirely different. That said, things needed to be done quickly. The FATF and the world

* William Casey King ((PhD, Yale) is the Director of the Capstone Program at Yale University's Jackson Institute for Global Affairs and teaches courses on anti-money laundering and combatting the financing of terrorism. He is the co-author with Richard Gordon of *Anti-Money Laundering and Combatting the Financing of Terror* (Oxford University Press, 2020).

** Richard Gordon is Professor of Law and Founding Director of the Financial Integrity Institute at Case Western Reserve University. Before Joining Case, he was a senior staff member at the International Monetary Fund, where he served on the select IMF Task Force on Terrorism Finance.

https://doi.org/10.1017/ilm.2020.16 Published online by Cambridge University Press

responded with what was at hand, adding nine additional recommendations to address what everyone was afraid of at that moment.

Since 2001, the FATF has matured into one of the most respected and effective international bodies, not only in terms of establishing international AML/CFT standards and getting countries to play along, but also as a potential model for how to effect international cooperation. That is not to say that it is perfect or without room for improvement, including at times creating policies with unintended consequences. Even so, the FATF is a model worth studying, and evidence for that conjecture may be found in Resolution 2462, in which the United Nations Security Council formally "blesses" the FATF. There are seventeen references to the FATF and/or the FATF Recommendations in the document. Throughout the Resolution, the common "formula" is to "call for," "urge," or "demand" an action and then stipulate that states do so by "implementing the FATF standards in that regard." For example, paragraph four "strongly urges all states to implement the comprehensive international standards embodied in the revised Forty FATF Recommendations on Combating Money Laundering, and the Financing of Terrorism and Proliferation and its interpretive notes." The Resolution's preamble further stresses "the essential role of the Financial Action Task Force (FATF) in setting global standards" and "encourage[es] Member States to actively cooperate with the FATF. . . to improve anti-money laundering and counter terrorist financing frameworks worldwide, particularly their implementation." Resolution 2462 essentially proclaims that the FATF has evolved from the *de facto* to the *de jure* body for international AML/CFT.

The Unintended Consequences for Non-Profit Organizations

A more controversial aspect of the Resolution can be traced to the FATF Nine Special Recommendations, which were quickly drafted following 9/11. Special Recommendation 8 (SR8), titled "Combating the Abuse of Non-Profit Organisations" states that "countries should review the adequacy of laws and regulations that relate to entities that can be abused for the financing of terrorism. *Non-profit organisations are particularly vulnerable and countries should be sure they cannot be misused*" (emphasis added).[4] The regulators passed along the FATF message to banks, which responded by increasing scrutiny on all NPOs. This increased scrutiny necessarily cost banks more money. If NPOs were deemed not profitable enough to justify the cost of increased scrutiny, they were rejected as clients. This is one example of "de-risking" defined by the FATF as "the phenomenon of financial institutions terminating or restricting business relationships with clients or categories of clients to avoid, rather than manage, risk."[5] It remains one of the most challenging unintended consequences of the last two decades of AML/CFT regulatory efforts. Obviously, when an NPO cannot get a bank account, it becomes extraordinarily difficult to get funds to people who need help. But even when a bank has not "de-risked" an NPO, the increased scrutiny can often delay the dispersion of funds. NPOs argue that these delays can be at the expense of human lives, especially as there is often a context of urgency surrounding humanitarian crises.

The FATF and the global community came to realize—perhaps less quickly than they should have—the downside of the recommendation. They had a golden opportunity to address the issue in 2012. In that year, the FATF revised all its recommendations, including special recommendations, deciding that the FATF 40 should be just that and not "40 plus 9." They folded the special recommendations into the rest and SR8 on NPOs became simply Recommendation 8. Though the name had changed, the language was untouched. It was not until 2016 that the FATF finally "heard" the NPO community, and the language was revised in an effort to mitigate the possible harm to NPOs. Gone were the words "Non-profit organisations are particularly vulnerable." Further, the recommendation was limited only to those NPOs "which the country has identified as being vulnerable to terrorist financing abuse" and that only "focused and proportionate measures, in line with the risk-based approach" should be applied to them. The impact was barely felt: according to many within the NPO community, their efforts continue to be unduly impacted by regulatory requirements.

Resolution 2462 explicitly echoes the 2016 FATF language in regard to NPOs, and in fact strengthens their protection considerably. In the strongest language contained within the Resolution, it "Demands that Member States ensure that all measures taken to counter terrorism, including measures taken to counter the financing of terrorism as provided for in this resolution, comply with their obligations under international law, including international humanitarian law, international human rights law and international refugee law."[6]

https://doi.org/10.1017/ilm.2020.16 Published online by Cambridge University Press

Despite the language of the Resolution, and all that it "demands," the international human rights community and NPOs remain rightly concerned. On March 28, 2019, the International Committee of the Red Cross issued a statement that the organization remains "concerned about the increased impact that counter-terrorism measures have on impartial humanitarian action . . . [A]t stake is our ability to cross frontlines to deliver humanitarian assistance . . . our ability to carry out our mandate is increasingly hampered. As a consequence, people suffer at the very moment when [international humanitarian law] should protect them."[7]

Conclusion

Resolution 2462 is a landmark policy document in its recognition of the FATF. As for the Resolution's explicit protection of humanitarian aid and humanitarian organizations, the strength of the language signals a commitment by the United Nations to address the unintended consequences of vigorous CFT policies. That said, language alone—no matter how strong it may be—is insufficient to solve the problem of NPO de-risking. Non-profits must *not* be treated in the same way as for-profit organizations. As cost concerns drive the decision whether an organization can take part in the financial system then, irrespective of protections in resolutions, NPOs will continue to suffer. Perhaps a more viable and meaningful alternative is to create a separate funding mechanism for NPOs to offset the cost of bringing them into the formal financial system. Banks should not, and will not, bear this burden. They stand to lose little by saying "no" to NPOs and could potentially lose a great deal by saying "yes." Resolution 2462 lays down the framework for the substantive work to commence, as we must weigh the real cost in human lives for the essential work of protecting us all from real threats.

ENDNOTES

1 S.C. Res. 1267 (Oct. 15, 1999).

2 Since 2001, 22 resolutions on terrorist financing have been adopted, with 2017 disproportionately represented with eight in that year. The majority of the resolutions address specific threats, for example, Resolution 2253 (2015), which focuses on ISIL. The exception is Resolution 1452 in 2002, which attempts to protect humanitarian aid.

3 Financial Action Task Force (FATF), *History of the FATF*, http://www.fatf-gafi.org/about/historyofthefatf/.

4 FATF, *IX Special Recommendations* (2017), https://www.fatf-gafi.org/publications/fatfrecommendations/documents/ixspecialrecommendations.html. The special recommendation noted here has been subsequently updated which the authors will explain later in this note.

5 FATF, *FATF clarifies risk-based approach: case-by-case, not wholesalede-risking*, https://www.fatf-gafi.org/documents/documents/rba-and-de-risking.html.

6 S.C. Res. 2462 (Mar. 28, 2019) ¶ 6.

7 Statement delivered by Robert Mardini (Mar. 28, 2019), https://www.icrc.org/en/document/icrc-statement-un-security-council-open-debate-preventing-and-combating-financing-terrorism.

https://doi.org/10.1017/ilm.2020.16 Published online by Cambridge University Press

© 2020 by The American Society of International Law
DOI:10.1017/ilm.2020.16

UNITED NATIONS SECURITY COUNCIL RESOLUTION 2462*
[March 28, 2019]

United Nations S/RES/2462 (2019)

Security Council

Distr.: General

28 March 2019

Resolution 2462 (2019)

Adopted by the Security Council at its 8496th meeting, on 28 March 2019

The Security Council,

Recalling its resolutions 1267 (1999), 1373 (2001), 1452 (2002), 1526 (2004), 1617 (2005), 1624 (2005), 2129 (2013), 2133 (2014), 2170 (2014), 2178 (2014), 2195 (2014), 2199 (2015), 2249 (2015), 2253 (2015), 2322 (2016), 2331 (2016), 2341 (2017), 2347 (2017), 2354 (2017), 2368 (2017), 2370 (2017), 2388 (2017), 2395 (2017), 2396 (2017) and its relevant presidential statements,

Reaffirming that terrorism in all forms and manifestations constitutes one of the most serious threats to international peace and security and that any acts of terrorism are criminal and unjustifiable regardless of their motivations, whenever, wherever and by whomsoever committed,

Stressing the primary responsibility of Member States in countering terrorist acts and *reiterating* their obligation to prevent and suppress the financing of terrorist acts as well as its call upon all States to become party to the international counter - terrorism conventions and protocols as soon as possible, including the International Convention for the Suppression of the Financing of Terrorism, and to consider, as appropriate, ratifying, acceding to, and implementing other relevant international conventions to support international cooperation in criminal matters, such as the UN Convention against Transnational Organized Crime and the Protocols thereto,

Reminding all States of their obligation to ensure that any person who participates in the financing, planning, preparation or perpetration of terrorist acts or in supporting terrorist acts is brought to justice and ensure that, in addition to any other measures against them, such terrorist acts are established as serious criminal offences in domestic laws and regulations and that the punishment duly reflects the seriousness of such terrorist acts,

Reaffirming that Member States must ensure that any measures taken to counter terrorism comply with all their obligations under international law, in particular international human rights law, international refugee law, and international humanitarian law, *underscoring* that respect for human rights, fundamental freedoms and the rule of law are complementary and mutually reinforcing with effective counter-terrorism measures, and are an essential part of a successful counter -terrorism effort, *noting* the importance of respect for the rule of law so as to effectively prevent and combat terrorism, and *noting* that failure to comply with these and other international obligations,

* This text was reproduced and reformatted from the text available at the United Nations website (visited October 11, 2019), https://undocs.org/S/RES/2462(2019)

https://doi.org/10.1017/ilm.2020.16 Published online by Cambridge University Press

including under the Charter of the United Nations, is one of the factors contributing to increased radicalization to violence and fosters a sense of impunity,

Noting with grave concern that terrorists and terrorist groups raise funds through a variety of means, which include but are not limited to abuse of legitimate commercial enterprise, exploitation of natural resources, ab use of non-profit organizations, donations, crowdfunding and proceeds of criminal activity, including but not limited to : kidnapping for ransom, extortion, the illicit trade and trafficking in cultural property, trafficking in persons, including for the purpose of sexual exploitation, drug trafficking and the illicit trade in small arms and light weapons,

Further noting with grave concern that terrorists, including foreign terrorist fighters, and terrorist groups may move and transfer funds, including through financial institutions, abuse of legitimate businesses and non -profit organizations, including as front businesses and organizations and cash -couriers, as well as through the use of emerging payment methods, such as prepaid cards and mobile -payments or virtual-assets,

Expressing its concern that terrorists can benefit from transnational organized crime as a source of financing or logistical support, *recognizing* that the nature and scope of the linkages between terrorism and transnational organized crime vary by context, and *emphasizing* the need to coordinate efforts at the local, national, regional, sub regional and international levels to respond to this challenge, in accordance with international law,

Reiterating its concern at the continuing use by terrorists and their supporters of information and communications technologies, in particular the Internet, to facilitate terrorist acts, as well as their use to incite, recruit, fund, or plan terrorist acts,

Recognizing that innovations in financial technologies, products and services may offer significant economic opportunities but also present a risk of being misused, including for terrorist financing,

Underscoring the central role of the United Nations, in particular its Security Council, in the fight against terrorism and *stressing* the essential role of the Financial Action Task Force (FATF) in setting global standards for preventing and combatting money laundering, terrorist financing and proliferation financing and its Global Network of FATF-style regional bodies (FSRBs) and *taking note* with appreciation of the "FATF Consolidated Strategy on Combating Terrorist Financing " and its operational plan,

Encouraging Member States to actively cooperate with FATF, including by contributing to its monitoring of terrorist financing risks,

Expressing its commitment to continue supporting efforts to deny terrorist groups' access to funding and financial services through the ongoing work of the United Nations counter-terrorism bodies and the FATF and its FSRBs to improve anti-money laundering and counter terrorist financing frameworks worldwide, particularly their implementation,

Welcoming the adoption by its Counter-Terrorism Committee of the Addendum to the Madrid Guiding Principles on Foreign Terrorist Fighters (S/2018/1177), which contains, inter alia, specific recommendations on countering the financing of terrorism and *stressing* the importance of full and effective implementation of such principles,

Commending efforts undertaken at the national, regional and multilateral levels to foster international cooperation to prevent and suppress the financing of terrorism,

Noting with appreciation the holding of the conference entitled "No Money for Terror" in Paris on 25–26 April 2018 as well as its final declaration and *looking forward* to the upcoming conference to be held in Australia in 2019,

Reaffirming that sanctions are an important tool under the Charter of the United Nations in the maintenance and restoration of international peace and security, including in countering terrorism and terrorism financing,

Noting with concern that many Member States have not effectively enacted and enforced the prohibition described in paragraph 1 (d) of resolution 1373, and that the provision of financial or other related services to terrorist organizations and individual terrorists, even in the absence of a link to a specific terrorist act, furthers their ability to engage in terrorist acts,

https://doi.org/10.1017/ilm.2020.16 Published online by Cambridge University Press

Recognizing the significant need to build and strengthen capacities of Member States, upon their request and with a view to supporting national ownership to more effectively counter terrorism and terrorist financing and to make better use of existing international instruments and mechanisms,

Acting under Chapter VII of the Charter of the United Nations,

1. *Reaffirms* its resolution 1373 (2001) and in particular its decisions that all States shall prevent and suppress the financing of terrorist acts and refrain from providing any form of support, active or passive, to entities or persons involved in terrorist acts, including by suppressing recruitment of members of terrorist groups and eliminating the supply of weapons to terrorists;

2. *Emphasizes* its decision in resolution 1373 that all Member States shall criminalize the wilful provision or collection, by any means, directly or indirectly, of funds by their nationals or in their territories with the intention that the funds should be used, or in the knowledge that they are to be used, in order to carry out terrorist acts; and its decision in resolution 2178 that all Member States shall establish serious criminal offenses regarding the travel, recruitment, and financing of foreign terrorist fighters;

3. *Highlights* that the obligation regarding the prohibition in paragraph 1 (d) of resolution 1373 applies to making funds, financial assets or economic resources or financial or other related services available, directly or indirectly, for the benefit of terrorist organizations or individual terrorists for any purpose, including but not limited to recruitment, training, or travel, even in the absence of a link to a specific terrorist act;

4. *Strongly urges* all States to implement the comprehensive international standards embodied in the revised Forty FATF Recommendations on Combating Money Laundering, and the Financing of Terrorism and Proliferation and its interpretive notes;

5. *Decides* that all States shall, in a manner consistent with their obligations under international law, including international humanitarian law, international human rights law and international refugee law, ensure that their domestic laws and regulations establish serious criminal offenses sufficient to provide the ability to prosecute and to penalize in a manner duly reflecting the seriousness of the offense the wilful provision or collection of funds, financial assets or economic resources or financial or other related services, directly or indirectly, with the intention that the funds should be used, or in the knowledge that they are to be used for the benefit of terrorist organizations or individual terrorists for any purpose, including but not limited to recruitment, training, or travel, even in the absence of a link to a specific terrorist act;

6. *Demands* that Member States ensure that all measures taken to counter terrorism, including measures taken to counter the financing of terrorism as provided for in this resolution, comply with their obligations under international law, including international humanitarian law, international human rights law and international refugee law;

7. *Calls upon* Member States to conduct financial investigations in terrorism related cases and to seek ways to address the challenges in obtaining evidence to secure terrorist financing convictions;

8. *Further calls upon* Member States to more effectively investigate and prosecute cases of terrorist financing and to apply, as appropriate, effective, proportionate, and dissuasive criminal sanctions to individuals and entities convicted of terrorist financing activity;

9. *Underscores* the need to ensure all Member States are in full compliance with the measures imposed by the Security Council in resolution 2368 (2017) and *recalls* that the Analytical Support and Sanctions Monitoring Team mandate includes gathering information on instances of reported non -compliance with the sanctions measures imposed in resolution 2368 (2017), including by collating information from all relevant sources and that such reporting should be discussed in the Committee;

10. *Stresses* the need for effective implementation of asset freezing mechanisms pursuant to resolution 1373 (2001), including considering third party requests from other States;

11. *Calls on* States to consider making publicly available their national or regional asset freezing lists pursuant to resolutions 1373 (2001), 1267 (1999), 1989 (2011) and 2253 (2015);

https://doi.org/10.1017/ilm.2020.16 Published online by Cambridge University Press

12. *Stresses* the need for robust implementation of the measures outlined in paragraph 1 of resolution 2368 (2017) and *urges* all States to participate actively in implementing and updating the ISIL (Da' esh) & Al-Qaida Sanctions List and to consider including, when submitting new listing requests, individuals and entities involved in the financing of terrorism;

13. *Calls on* States to invest resources in the implementation of sanctions regimes pursuant to resolutions 1373 (2001), 1267 (1999), 1989 (2011) and 2253 (2015), and in seizure of funds in the course of investigations;

14. *Urges* all States to assess specifically their terrorist financing risk and to identify economic sectors most vulnerable to terrorist financing, including but not limited to non-financial services, such as, inter alia, the construction, commodities and pharmaceutical sectors, in line with FATF standards and *welcomes* guidance issued by the United Nations, including the "UNODC Guidance manual for Member States on terrorist financing risk assessments " and the FATF in that regard;

15. *Urges* Member States which have not yet done so to establish operationally independent and autonomous financial intelligence units with a view to strengthening their framework to prevent and counter the financing of terrorism, in line with FATF standards;

16. *Calls upon* Member States to reinforce the access to information and terrorist financing analytical capacity of their financial intelligence units, including by developing together with competent authorities dedicated risk indicators, and by cooperating with the private sector concerning the evolution of the trends, source and methods of terrorist financing;

17. *Urges* Member States to establish or strengthen, at the national lev el, a framework allowing competent national authorities, in particular financial intelligence units, intelligence services, law enforcement agencies, prosecutorial and/or judicial authorities, to gather and share information on the financing of terrorism;

18. *Encourages* Member States to build the capacity of their financial oversight and regulatory systems in order to deny terrorists the space to exploit, raise and move funds, including by ensuring an effective implementation of reporting and disclosure requirements by the private sector as well as by taking into account the dedicated country assessments of relevant entities such as the Counter -Terrorism Committee Executive Directorate (CTED) and the FATF and its Global Network;

19. *Calls upon* Member States to intensify and accelerate the timely exchange of relevant operational information and financial intelligence regarding actions or movements, and patterns of movements, of terrorists or terrorist networks, including Foreign Terrorist Fighters (FTFs) and FTF returnees and relocators, in compliance with international law, including international human rights law, and domestic law, including by:

(a) Ensuring that competent authorities can use financial intelligence shared by financial intelligence units, and relevant financial information obtained from the private sector, in compliance with international law, including international human rights law;

(b) Enhancing the integration and use of financial intelligence in terrorism related cases, including through enhanced inter-agency coordination;

(c) Using financial intelligence and financial footprints as a tool to detect networks of terrorists and their financiers;

(d) Considering the establishment of a mechanism by which competent authorities can obtain relevant information, including but not limited to bank accounts, to facilitate the detection of terrorist assets, in compliance with international law, including international human rights law;

20. *Calls upon* all States to enhance the traceability and transparency of financial transactions, in compliance with international law, including international human rights law and humanitarian law, including through:

(a) Fully exploiting the use of new and emerging financial and regulatory technologies to bolster financial inclusion, and to contribute to the effective implementation of AML/CFT measures;

https://doi.org/10.1017/ilm.2020.16 Published online by Cambridge University Press

(b) ensuring that financial institutions, including within the same financial group, as well as designated non -financial businesses and professions (DNFBPs), ca n share information for the purposes of mitigating money laundering and terrorist financing risks and supplying domestic competent authorities with comprehensive information on criminal schemes, consistent with the home country requirements;

(c) assessing the risks associated with the use of cash and bearer negotiable instruments, including the risk of illicit cross -border transportation of cash, as well as other financial products, including value stored and prepaid cards and informal value transfer system providers (including hawalas) and taking appropriate measures to address such risks;

(d) assessing and addressing potential risks associated with virtual assets and as appropriate, the risks of new financial instruments, including but not limited to crowd-funding platforms, that may be abused for the purpose of terrorist financing and taking steps to ensure that providers of such assets are subject to AML/CFT obligations;

21. *Welcomes* in that regard FATF's ongoing work concerning virtual assets and virtual assets service providers, including its October 2018 amendments to the FATF standards and statement on the Regulation of Virtual Assets, and *encourages* Member States to apply risk-based anti-money laundering and counter-terrorist financing regulations to virtual asset service providers, and to identify effective systems to conduct risk-based monitoring or supervision of virtual asset service providers;

22. *Encourages* competent national authorities, in particular financial intelligence units and intelligence services, to continue to establish effective partnerships with the private sector, including financial institutions, the Financial technology industry and internet and social media companies, in particular with regards to the evolution of trends, sources and methods of the financing of terrorism;

23. *Recognizes* the vital role played by non-profit organizations in national economies and social systems, *calls on* Member States to periodically conduct a risk assessment of its non-profit sector or update existing ones to determine the organizations vulnerable to terrorist financing and to inform the implementation of a risk based approach, *encourages* Member States to work cooperatively with the non-profit sector in order to prevent abuse of such organizations including front organizations by and for terrorists, while recalling that States must respect human rights and fundamental freedoms and *recalls* the relevant recommendations and existing guidance documents of the FATF in that regard, in particular it s recommendation 8;

24. *Urges* States, when designing and applying measures to counter the financing of terrorism, to take into account the potential effect of those measures on exclusively humanitarian activities, including medical activities, that are carried out by impartial humanitarian actors in a manner consistent with international humanitarian law;

25. *Encourages* Member States to improve efforts and take decisive action to identify cases of trafficking in persons and in cultural property that finance terrorism with a view to holding those responsible accountable and to provide, as appropriate, the Analytical Support and Sanctions Monitoring Team with relevant information pertaining to such cases;

26. *Reiterates* its call upon Member States to prevent terrorists from benefiting directly or indirectly from the payment of ransoms or from political concessions and *encourages* them to increase cooperation and information sharing to that end;

27. *Urges* States that have not already done so to adopt and implement the necessary legislative or other measures to establish as criminal offences under their domestic law the illegal manufacture, possession, stockpiling and trade of small arms and light weapons within their areas of jurisdiction in order to ensure that those engaged in such activities can be prosecuted;

28. *Calls upon* Member States to strengthen international cooperation to prevent and counter the financing of terrorism, including by:

(a) ensuring the effective exchange of relevant financial intelligence through bilateral and multilateral mechanisms and ensuring that competent authorities are able to exercise their powers to respond to international cooperation requests effectively;

https://doi.org/10.1017/ilm.2020.16 Published online by Cambridge University Press

(b) ensuring that their FIUs serve as the central agency for the receipt of suspicious transaction reports and other information relevant to money laundering, predicate offences and terrorist financing filed by reporting entities and that they actively use dedicated, secure and protected channels to disseminate, spontaneously or upon request, information and the results of its analysis to relevant competent authorities;

(c) enhancing cross-border cooperation among and between customs and tax authorities, as well as improving the coordination of international police and customs operations;

(d) improving the quality of the information shared internationally between financial intelligence units on the financing of FTFs, including FTF returnees and relocators, small cells, and individual terrorists on the activities of terrorist fundraisers, collectors and facilitators by fully implementing FATF standards in that regard;

29. *Reaffirms* that all States shall afford one another the greatest measure of assistance in connection with criminal investigations or criminal proceedings relating to the financing or support of terrorist acts;

30. *Encourages* Member States to help to build the capacity of other Member States, upon their request, to address the threat posed by the financing of terrorism;

31. *Encourages* Member States to make the best use of INTERPOL policing capabilities, such as relevant databases and analytical files, in order to prevent and counter the financing of terrorism;

32. *Encourages* Member States as well as the United Nations, in particular the United Nations Office on Drugs and Crime (UNODC), to continue conducting research and collecting information to better understand the nature and scope of the links that may exist between terrorism, in particular the financing of terrorism, and transnational organized crime;

33. *Requests* United Nations entities, particularly the UN Office on Counter Terrorism (OCT) and UNODC to continue to cooperate with Member States and to continue to provide, upon their request as well as on the basis of gaps in implementation and capacity identified by the CTED reports, in particular where they relate to FAT F and FSRBs mutual evaluation reports, technical assistance and capacity-building to help them to fully implement their respective international obligations to prevent and combat the financing of terrorism;

34. *Calls* upon UNOCT, in close cooperation with UNODC and in consultation with CTED, the Analytical Support and Sanctions Monitoring Team pursuant to resolutions 1526 (2004) and 2253 (2015) and other Global Compact entities as well as international financial institutions such as the International Monetary Fund (IMF) and the World Bank and other stakeholders, including the FSRBs, to enhance coordination with the aim of delivering integrated technical assistance on counter-terrorist financing measures, including assistance that will improve the capacity of Member States, upon their request, to implement this resolution;

35. *Requests* CTED, in accordance with resolution 2395, to strengthen its assessment process relating to countering the financing of terrorism, including through targeted and focused follow -up visits as complements to its comprehensive assessments and to provide, annually, on the basis of its reporting and in consultation with the Analytical Support and Sanctions Monitoring Team, to the UN Office on Counter Terrorism (UNOCT), through the Counter-terrorism Committee, a thematic summary assessment of gaps identified and areas requiring more action to implement key counterterrorism financing provisions of relevant UN Security Council resolutions for the purpose of designing targeted technical assistance and capacity - building efforts and taking into account, as appropriate, FATF and FATF -Style Regional Bodies (FSRBs) mutual evaluation reports and to ensure that it allocates the necessary resources to carry out these tasks;

36. *Requests* the Counter-Terrorism Committee and the Committee established pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) to hold, within 12 months, a joint special meeting on terrorist financing threats and trends as well as on the implementation of the provisions of this resolution;

37. *Requests* CTED and the Analytical Support and Sanctions Monitoring Team to prepare, ahead of the joint special meeting, a report on actions taken by Member States to disrupt terrorist financing and in this regard, and

https://doi.org/10.1017/ilm.2020.16 Published online by Cambridge University Press

invites Member States to submit to them in writing, by the end of 2019, information on actions taken to disrupt terrorist financing;

38. *Decides* to remain seized of this matter.

https://doi.org/10.1017/ilm.2020.16 Published online by Cambridge University Press