

Thursday 1 March 2018

RECOMMENDATIONS

EUROPEAN PARLIAMENT

P8_TA(2018)0059

Cutting the sources of income for jihadists — targeting the financing of terrorism**European Parliament recommendation of 1 March 2018 to the Council, the Commission and the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy on cutting the sources of income for jihadists — targeting the financing of terrorism (2017/2203(INI))**

(2019/C 129/07)

The European Parliament,

- having regard to the 1999 International Convention for the Suppression of the Financing of Terrorism,
- having regard to its resolution of 27 October 2016 on the situation in Northern Iraq/Mosul⁽¹⁾ and its resolution of 30 April 2015 on the destruction of cultural sites perpetrated by ISIS/Daesh⁽²⁾,
- having regard to the EU Global Strategy for Foreign and Security Policy,
- having regard to Council Regulation (EC) No 1210/2003 of 7 July 2003 concerning certain specific restrictions on economic and financial relations with Iraq and repealing Regulation (EC) No 2465/96⁽³⁾,
- having regard to the United Nations Global Counter-Terrorism Strategy and UN Security Council resolutions 1267 (1999), 1373 (2001), 1989 (2011), 2133 (2014), 2199 (2015), 2253 (2015) and 2368 (2017),
- having regard to Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC⁽⁴⁾,
- having regard to the proposal for a directive of the European Parliament and of the Council amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing and amending Directive 2009/101/EC (COM(2016)0450),
- having regard to the Manama declaration on countering terrorist finance of 9 November 2014,
- having regard to the Financial Action Task Force (FATF) Best Practices on Targeted Financial Sanction related to Terrorism and Terrorist Financing,

⁽¹⁾ Texts adopted, P8_TA(2016)0422.

⁽²⁾ OJ C 346, 21.9.2016, p. 55.

⁽³⁾ OJ L 169, 8.7.2003, p. 6.

⁽⁴⁾ OJ L 141, 5.6.2015, p. 73.

Thursday 1 March 2018

- having regard to the FATF statement of 24 October 2014 on countering the financing of the Terrorist Organisation Islamic State in Iraq and the Levant (ISIL) and to the FATF report of February 2015 on the Financing of ISIL,
- having regard to the eleventh Security Union Progress Report, published by the Commission on 18 October 2017,
- having regard to the Global Counterterrorism Forum (GCTF) Addendum to the Algiers Memorandum on Good Practices on Preventing and Denying the Benefits of Kidnapping for Ransom by Terrorists of September 2015,
- having regard to the G7 Taormina Statement of 26 May 2017 on the fight against terrorism and violent extremism,
- having regard to the newly established Special Committee on Terrorism,
- having regard to Article 16 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Articles 7 and 8 of the EU Charter of Fundamental Rights on personal data protection,
- having regard to Council Regulation (EU) 2015/827 of 28 May 2015 amending Regulation (EU) No 36/2012 concerning restrictive measures in view of the situation in Syria ⁽¹⁾,
- having regard to the Commission action plan of February 2016 for strengthening the fight against terrorist financing,
- having regard to the Europol EU Terrorism Situation and Trend Report (TE-SAT) for 2017,
- having regard to the report of 26 June 2017 from the Commission to the European Parliament and the Council on the assessment of the risks of money laundering and terrorist financing affecting the internal market and relating to cross-border activities (COM(2017)0340),
- having regard to Directive (EU) 2017/541 of the European Parliament and of the Council of 15 March 2017 on combating terrorism and replacing Council Framework Decision 2002/475/JHA and amending Council Decision 2005/671/JHA ⁽²⁾,
- having regard to Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA ⁽³⁾,
- having regard to the proposal for a regulation of the European Parliament and of the Council of 13 July 2017 on the import of cultural goods (COM(2017)0375),
- having regard to the ninth Security Union Progress Report, published by the Commission on 27 July 2017,
- having regard to the Commission communication of 18 October 2017 to the European Parliament, the European Council and the Council entitled ‘Eleventh progress report towards an effective and genuine Security Union’ (COM(2017)0608),
- having regard to Rule 113 of its Rules of Procedure,
- having regard to the report of the Committee on Foreign Affairs (A8-0035/2018),

⁽¹⁾ OJ L 132, 29.5.2015, p. 1.

⁽²⁾ OJ L 88, 31.3.2017, p. 6.

⁽³⁾ OJ L 119, 4.5.2016, p. 89.

Thursday 1 March 2018

- A. whereas one of the key elements of the fight against terrorism is to cut off its sources of financing, including through the hidden circuits of fraud and tax evasion, money laundering and tax havens;
- B. whereas some financing may come from within European countries for use elsewhere by terrorist organisations, while other funding comes from outside Europe, in order to finance radicalisation and actual terrorist acts; whereas the external and internal dimensions of the fight against terrorism are interlinked, whereas cutting off the sources of financing of terrorism should be part of an EU broader strategy integrating both external and internal security dimensions;
- C. whereas modern communication networks, and crowdfunding in particular, have proven to be a cheap and efficient way of generating funds to finance terrorist activities or manage the jihadi network; whereas terrorist groups have been able to gather additional funds for their activities, using phishing attacks and identity theft or purchasing stolen credit cards details in online forums;
- D. whereas that financing can be used in three ways: for terrorist attacks requiring large-scale funding; for other attacks which, although their effects are equally brutal, require smaller amounts of money; and for financing propaganda that can inspire 'lone wolf' attacks that may require very little pre-planning or money; whereas the response must be effective in addressing all these situations;
- E. whereas legally sourced financing can be diverted by the recipient to third parties, individuals, groups, companies or entities with links to terrorist activity;
- F. whereas given that terrorism is a global crime, the effective response to it must also be a global and holistic one, with coordination between financial institutions, law enforcement agencies and judicial bodies and exchange of relevant information on natural and legal persons and suspicious activity being absolutely vital, bearing in mind that the protection of personal data and respect for privacy are important fundamental rights;
- G. whereas, as a result of data leaks in recent years, awareness about the links between money laundering and tax evasion on the one hand and organised crime and financing of terrorism on the other has increased considerably, and whereas these issues have become a major focus of international political concern; whereas, as acknowledged by the Commission, recent media reports have also linked large-scale VAT and excise fraud with organised crime, including terrorism ⁽¹⁾;
- H. whereas almost all Member States' jurisdictions have criminalised terrorist financing as a distinct offence;
- I. whereas financial data are a significant tool for gathering intelligence in order to analyse terrorist networks and how to better disrupt their operations; whereas there is a continuing need for adequate enforcement of legislation to prevent money laundering and financing of terrorism; whereas there is a need for comprehensive and preventive strategies based on the exchange of basic information and improved cooperation among financial intelligence units, intelligence agencies and law enforcement agencies involved in combating the financing of terrorism; whereas this information should cover evolving trends in international finance such as Bitmap, SWIFT coding, cryptocurrency and its corresponding regulatory mechanisms; whereas tackling the financing of terrorism globally must entail global standards of transparency with respect to ultimate beneficial owners of corporate entities, trusts and similar arrangements, in order to shine a light on financial opacity, which facilitates the laundering of criminal proceeds and the financing of terrorist organisations and actors;

⁽¹⁾ http://europa.eu/rapid/press-release_IP-17-3441_en.htm; <https://www.euractiv.com/section/economy-jobs/news/eu-targets-terror-financing-with-vat-fraud-crackdown/>

Thursday 1 March 2018

- J. whereas there is a need for a formalised European platform within existing structures — which thus far has existed on an informal basis — to centralise the collection of information, which is currently spread out among 28 Member States, and through which Member States can provide information on their levels of engagement and progress in combating financing of terrorism; whereas this exchange of information should be proactive;
- K. whereas a number of international non-profit organisations, charities, other foundations, networks and private donors, which have or claim to have social or cultural goals, laid the foundation for the financial capacities of ISIS/Daesh, Al-Qaeda and other jihadist organisations and act as a cover for abusive practices; whereas surveillance and the gathering of intelligence about these organisations, their funders, their activities and their links with actors in the EU, which are often extensive, is therefore vital; whereas their support for the expansion of jihadist radicalism in Africa, the Middle East, Asia and Europe should be blocked; whereas this expansion at EU borders and in our neighbouring and partner countries is particularly alarming; whereas the full implementation of the FATF recommendations in these areas by the Gulf Cooperation Council (GCC) and its member states is of crucial importance to the fight against global terrorism;
- L. whereas Al-Qaeda's global fundraising network is built on donations to charities and NGOs, which communicate with donors through social media and online forums; whereas accounts have also been used to ask supporters for donations to the cause of jihad; whereas, in recent years, several smart phone applications have been developed by terrorist organisations to maximise the outreach and encourage donations from supporters, most of them located in Gulf countries;
- M. whereas micro-states and states with a poor track record in the rule of law are particularly vulnerable and at risk of becoming hotspots for the financing of terrorism;
- N. whereas intelligence suggests that institutions and individuals in the Gulf are providing financial and logistical support to ISIS/Daesh, Al-Qaeda and other radical groups; whereas without this funding many of these terrorist groups would not be self-sufficient;
- O. whereas ISIS/Daesh and Al-Qaeda have become financially self-reliant; whereas ISIS/Daesh and Al-Qaeda are attempting to channel their money to Syria and Iraq via oil exports and investment in businesses, including through money and professional couriers, illegal fund transfers and money and professional services; whereas ISIS/Daesh and Al-Qaeda are laundering the proceeds of their criminal activities by buying businesses and assets of all kinds; whereas ISIS/Daesh and Al-Qaeda are also laundering the proceeds of stolen antiquities and smuggled art pieces and artefacts, by selling them abroad, including in markets in Member States; whereas illicit trade in goods, firearms, oil, drugs, cigarettes and cultural objects, among other items, as well as trafficking in human beings, slavery, child exploitation, racketeering and extortion, have become ways for terrorist groups to obtain funding; whereas the increasing links between organised crime and terrorist groups constitute a growing security threat to the Union; whereas these sources could allow ISIS/Daesh and Al-Qaeda to continue funding future criminal acts after their territorial collapse in Syria and Iraq;
- P. whereas an international ransom ban has been established under a series of international commitments underpinned by UN Security Council resolutions and domestic laws; whereas in practice the UN ban lacks the support of key signatories who prioritise the immediate preservation of life over their counter-terrorism commitments, and in doing so allow the financing of terrorist organisations;
1. Addresses the following recommendations to the Council, the Commission and the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR):
- (a) calls on the Member States and the Commission to consider cutting the funding sources of terrorist networks as a key priority, as it constitutes an effective tool for hampering the effectiveness of those networks; takes the view that preventive strategies based on the sharing of best practice and exchange of suspicious and relevant information among

Thursday 1 March 2018

intelligence agencies is vital in combating the financing of terrorism and more generally terrorist attacks; calls on Member States' intelligence agencies therefore to improve coordination and cooperation by setting up a stable European counter-terrorism financial intelligence platform, within the framework of existing structures (e.g. Europol) so as to avoid the creation of another agency, with an in-depth focus on the proactive exchange of information on the financial support for terrorist networks; considers that such a platform would create a joint database for data on physical and legal persons and suspicious transactions; stresses that high-value data collected by any national security agency should be transmitted swiftly the moment it is recorded on the central system, which should be permitted to include information on non-EU nationals, taking particular account of possible impacts on fundamental rights and in particular the right to the protection of personal data and the principle of purpose limitation; emphasises that the information concerned must include, inter alia, a directory of banks, financial institutions and commercial entities both within and outside Europe, as well as third countries which have shortcomings in combating the financing of terrorism; calls on the Commission to draw up such a directory as quickly as possible, on the basis of its own criteria and analysis in accordance with Directive (EU) 2015/849; reiterates that those responsible for directly or indirectly committing, organising or supporting terrorist acts must be held to account for their actions;

- (b) calls on European countries, both EU Member States and third countries, to provide funding for programmes fostering the sharing of best practices among their intelligence agencies, including on the investigation and analysis of terrorists and terrorist organisations' methods of recruiting and transferring terrorist financing; recommends the introduction of quarterly public threat assessments that combine the intelligence and information gathered by Europol and the EU Intelligence and Situation Centre (INTCEN); calls on the Member States to ensure sufficient funding and human resources for intelligence agencies;
- (c) underlines, as reiterated by the Financial Action Task Force (FATF), which has developed a strategy on combating terrorist financing, that it is extremely important that information-sharing should be improved, and sped up, among financial intelligence units, between Financial Intelligence Units and the security forces and law enforcement and intelligence agencies within their own jurisdictions, among different jurisdictions, and in the private sector, especially the banking sector;
- (d) welcomes GCC engagement with the FATF; calls on the Commission and the EEAS to actively encourage the EU's partners, particularly the GCC and its member states, to fully implement the FATF recommendations in addressing deficiencies in the areas of anti-money laundering and combating the financing of terrorism and offer technical assistance in achieving progress in these areas;
- (e) calls on the VP/HR to support the efforts of the FATF and to prioritise countering terrorist financing, in particular identifying and working with UN member states with strategic anti-money laundering and countering terrorist financing deficiencies;
- (f) calls for the cooperation between Europol and the EU's key strategic partners that play a key role in the fight against terrorism worldwide to be reinforced; believes that closer cooperation would make it possible to better prevent, detect and respond to terrorism financial hubs; calls on the Member States to make better use of the informal network of European Financial Information Units (FIU.net), on the basis of the work done by Europol, by implementing the 5th Anti-Money Laundering Directive and by adopting regulatory measures to address other issues stemming from the divergent status and competences of financial intelligence units, in particular to facilitate coordination and exchange of information both among financial intelligence units, and between financial intelligence units and law enforcement authorities for the purpose of sharing the information concerned with the European counter-terrorism intelligence platform;
- (g) recalls that strengthened political dialogue, increased financial assistance and support for counter-terrorism capacity-building of EU's partners that are at the front line in the fight against terrorism are of utmost importance;

Thursday 1 March 2018

- (h) calls on the Member States to step up the monitoring of suspicious organisations engaged in these kind of activities, such as illicit trade, smuggling, counterfeiting and fraudulent practices via the formulation of joint investigation teams with Europol, making it easier for law enforcement agencies to access suspicious transactions, taking account of the proportionality principle and the right to privacy; calls on the Member States to provide more training for and increase the specialisation of investigators in order to achieve that; calls on the Commission to support and adequately fund the development of training programmes for law enforcement and judicial authorities in Member States;
- (i) calls on the Member States and the Commission to provide an annual report on progress made and measures taken concerning the fight against the funding of terrorism and, namely, efforts made to hamper ISIS/Daesh and Al-Qaeda's financing; recalls that some Member States are more invested than others in the field of targeting terrorism financing and thus the best response should be to increase information-sharing, namely pertaining to the effectiveness of measures already put in place;
- (j) welcomes the Commission's proposal for the establishment of bank account registers and for facilitating access to them by financial intelligence units and other competent authorities engaged in combating money laundering and the financing of terrorism; notes that the Commission is shortly to propose an initiative to give law-enforcement agencies wider access to the registers; underscores the need, when exchanging bank account information, to observe the rules on police cooperation and judicial cooperation, particularly in the context of criminal proceedings; calls, in that regard, on the Member States which have not yet transposed Directive 2014/41/EU of the European Parliament and of the Council of 3 April 2014, regarding the European Investigation Order in criminal matters, to do so as soon as possible;
- (k) calls on the Member States to take the necessary legislative measures to guarantee that banks monitor pre-paid debit cards closely so as to ensure that they can only be reloaded via bank transfers and personally identifiable accounts; stresses the importance of an attribution chain enabling the intelligence services to determine when a transaction has a serious risk of being used for terrorist or other serious crime; calls furthermore on the Member States to make the necessary provisions to fully facilitate the opening of a bank account to all those present in their territory;
- (l) stresses the need to put an end to any type of tax haven that facilitates money laundering, tax avoidance and tax evasion that can play a role in the financing of terrorist networks; calls on Member States, in this context, to combat tax evasion and urges the Commission to propose and implement measures for the close monitoring of financial flows and tax havens;
- (m) notes the successful cooperation with the USA and other partners and the usefulness of the information obtained, in the context of the EU-US agreement to share information from the US Terrorism Financing Tracking Program (TFTP); calls on the Commission to propose the establishment of a specifically European system in this area, to complement the current framework and address current gaps, particularly as regards SEPA, ensuring that a balance is struck between security and individual freedoms; points out that European data protection standards would apply to this intra-European system;
- (n) calls on the VP/HR and on the Member States, in cooperation with the EU Counter-Terrorism Coordinator, to draw up a list of individuals and entities operating under opaque regimes and with high rates of suspicious financial transactions, where there is evidence that relevant authorities have failed to act, especially if they are affiliated with jihadist radicalism; calls on the VP/HR and the Member States to take into account a state's involvement in the financing of terrorism in their relations with this state;
- (o) calls on the Council of the European Union to step up the application of selective sanctions and other restrictive measures against all individuals and entities that in any way make available economic resources to ISIS/Daesh, Al-Qaeda or other jihadist groups; calls for freezing the funds and other financial assets or economic resources of these individuals, groups, undertakings and entities (including funds derived from property owned or controlled directly or indirectly by them or by persons acting on their behalf or at their instruction); welcomes the establishment of the UN Security Council committee responsible for supervising the application of sanctions; notes that all Member States are obliged by UN Security Council resolution 2253 (2015) to act swiftly in blocking funds and financial assets to ISIS/

Thursday 1 March 2018

Daesh, Al-Qaeda and associated individuals, groups, undertakings, and entities; calls on the VP/HR to support the call of the UN Security Council on member states of the UN to move vigorously and decisively to cut the flow of funds and other financial assets and economic resources to individuals and entities on the ISIS/Daesh and Al-Qaeda Sanctions List;

- (p) calls on the EU Member States to establish a monitoring and clearing system to ensure that places of worship and education, institutions, centres, charities, cultural associations and similar entities, where there is reasonable suspicion of having ties to terrorist groups, provide details on whom they receive funds from and how the funds they receive are distributed, both within and outside the EU, and calls for all the transactions made by those sending funds to be recorded in a centralised database, set up with all the appropriate guarantees; calls for the introduction of mandatory ex ante monitoring of the source of money and its destination where charities are concerned, when there are reasonable grounds of suspicion of links to terrorism, so as to prevent money from being distributed maliciously or negligently for terrorist purposes; urges that all such measures be carried out as part of specific programmes designed to combat Islamophobia, in order to avoid an increase in hate crimes, attacks on Muslims or any racist and xenophobic attacks motivated by religion or ethnicity;
- (q) calls on the Member States to provide greater oversight and regulate traditional ways of money transfer (such as the hawala or the Chinese fei ch'ien, among others), or informal value transfer systems, namely through the ongoing procedure for the adoption of a regulation on controls on cash entering or leaving the Union (2016/0413(COD)), making it mandatory for agents carrying out the transactions to declare to the relevant authorities every significant transaction made using these systems, and emphasising, while communicating with groups affected by these measures, that the aim is not to crack down on traditional informal money transfers, but on trafficking involving organised crime, terrorism or industrial/commercial profits deriving from dirty money; calls, in this respect, for:
- (i) all intermediaries and/or individuals involved in said activity (controllers or brokers, middlemen and fixers, coordinators, collectors and transmitters) to be required to register with the relevant national authority;
 - (ii) all transactions to be declared and documented in a way that facilitates transfer of information when requested;
 - (iii) dissuasive penalties to be established and imposed on intermediaries and/or others involved in undeclared transactions;
- (r) calls on the Commission to propose the legislation required to better monitor all electronic financial transactions and e-money issuing companies, including intermediaries, in order to prevent funds from being converted for users who are not fully identified, as can be the case with users of public networks or anonymous browsers; stresses, in this respect, that exchanging encrypted money for actual money and vice versa must, as a compulsory requirement, be done using an identifiable bank account; calls on the Commission to carry out an assessment on the implications for the financing of terrorism of e-gaming activities, virtual currencies, crypto currencies, block chain and FinTech technologies; calls on the Commission, furthermore, to consider possible measures, including legislation to create a regulatory framework for these activities in order to limit the tools for the financing of terrorism;
- (s) calls on the Commission and the Member States to increase their monitoring regarding regulating and controlling trafficking in gold, precious stones and precious metals, so that these goods are not used as ways of financing terrorist activities; calls for the establishment of criteria agreed and followed by Member States; calls on the Commission and the Member States to prohibit and sanction all commercial traffic (both exports and imports) with jihadist-controlled areas, with the exception of those humanitarian aid goods necessary for the subdued population; calls for prosecution and sanctioning for imprudence or malice of all those (either natural or legal persons) that participate in said trafficking, in any form (buying, selling, distribution, intermediation or otherwise); notes the specific risks of financing of terrorism through money or value transfer services (MVTs); calls on the Member States to devise an enhanced

Thursday 1 March 2018

partnership and cooperation between MTVS agents and European law enforcement agencies and to issue guidelines to identify and address any specific barriers that prevent information sharing on suspicious money transfers;

- (t) welcomes the proposal for a regulation on the import of cultural goods and highlights its importance in tackling the illegal import of these goods with a view to financing terrorism; calls on the Commission to bring in a traceability certificate for artworks and antiques entering the EU market, especially for items originating from territories or places controlled by any armed non-state actors, as well as from organisations, groups or individuals included in the EU terror list; calls on the Commission to step up its cooperation with international organisations such as the UN, Unesco, Interpol, the World Customs Organisation and the International Council of Museums in order to strengthen efforts to combat the trafficking of cultural goods as a means of financing terrorism; calls on the Member States to establish police units that are specialised in dealing with the trafficking of cultural goods, and to ensure coordination among those units across the Member States; calls on the Member States to make it mandatory for companies involved in art dealing to declare all suspicious transactions, and to impose on the owners of companies dealing in art and antiques who become involved in the trafficking of such goods effective, proportionate and dissuasive penalties — including criminal penalties, where necessary — for the financing of terrorism through negligence; calls on the Commission to strengthen support to third countries, especially neighbouring countries, in their efforts to tackle crime and trafficking as source of terrorist financing;
- (u) calls on the Commission to propose measures to increase the transparency of origin, transport and brokering of commodities, especially petrochemicals, in order to strengthen traceability and stop the unwitting financing of terrorist organisations;
- (v) calls on the Commission to look into the possibility of reforming the relevant regulations and directives with the aim of ensuring that financial institutions are required to ask for information on the reason why suspicious small and large-scale transactions are being made, with a view to monitoring the payment of ransoms to terrorist organisations; calls on the Member States to take preventive measures targeting economic operators in areas at risk, with the aim of assisting them in their activities;
- (w) calls on the EEAS to appoint a financial intelligence expert to the new CSDP mission in Iraq, so as to support the Iraqi Government in preventing ISIS/Daesh and Al-Qaeda assets from being taken out of the country, and to help the Iraqi authorities in developing programmes designed to combat money laundering;
- (x) calls on the Commission and the Member States, as part of their dialogue with third-country partners on the fight against terrorism, to focus their efforts on police and judicial cooperation and on exchanging data and good practice so as to strengthen synergies in the global drive to combat the financing of terrorism;
- (y) welcomes the establishment of a network of counter-terrorism experts in EU delegations; calls for this network to be reinforced and extended to more regions, and in particular the Horn of Africa (and South-East Asia); points out the importance of the inclusion of counter-terrorism objectives in the mandates of EU CSDP missions and operations, in particular in Libya, the Sahel, the Horn of Africa and the Middle East; urges the EEAS to appoint a financial intelligence expert in its CSDP missions in countries in which there could be terrorist hubs and in the Sahel region, and to establish, in an effective manner, close cooperation with the governments in the areas concerned;
- (z) calls on the Commission and Member States to do more to encourage third-country partners to sign and ratify the 1999 International Convention for the Suppression of the Financing of Terrorism, which sets out a number of principles and standards with a view to eradicating the financing of terrorism, and to implement the convention effectively;
- (aa) stresses that addressing and alleviating socio-economic grievances, fostering viable states and ensuring respect for human rights are essential in order to reduce breeding grounds for ISIS/Daesh, Al-Qaeda and other jihadist groups, including regarding their capacities of financial autonomy;

Thursday 1 March 2018

- (ab) urges the VP/HR and the EEAS to enhance cooperation with countries in which the proceeds of drug trafficking, human trafficking or traffic in goods are held and with countries of origin of illicit cigarettes, so that they can be seized;
 - (ac) urges the VP/HR and the EEAS to lead initiatives in the international fora to enhance corporate ownership transparency, namely through the creation of a public registers of legal entities, including companies, trusts and foundations, and of a central register of bank accounts, financial instruments, real estate property, life insurance contracts and other relevant assets which might be abused to launder money and finance terrorism;
 - (ad) calls on the Council and the Commission to establish and implement an annual benchmark reporting mechanism to Parliament on measures taken by the Member States and the Commission against the funding of terrorism;
 - (ae) urges the VP/HR and the EEAS to support our foreign partners in their domestic efforts to curb financial flows from private individuals to organisations deemed to be providing aid and resources to terrorists;
 - (af) urges the Member States to swiftly adopt the Commission's proposed VAT reforms, to prevent criminal organisations from exploiting the gaps in the European VAT system to finance terrorism and other criminal activities;
 - (ag) welcomes the Commission proposal on the mutual recognition of freezing and confiscation orders;
 - (ah) reaffirms the view that confronting and defeating ISIS/Daesh, Al-Qaeda and other jihadist groups, whether financially, militarily or ideologically, must remain at the top of the security and defence agenda; calls on the EEAS to use its diplomatic engagement with regional states to emphasise this common interest for both the EU and regional actors;
2. Instructs its President to forward this recommendation to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, and the Member States.
-