

Terrorism Financing The Regulation of IVTS

Models of Delivery

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Post 9/11 Context

Criminal Justice Model

**UN Terrorist Financing
Convention 1999**

UN Resolution 1373

**Terrorism Act 2000 Pt 3
POCA 2002**

Regulatory risk model

**UN Resolution 1267
FATF 40 (SR)**

**TAFA 2010
AQ Regs 2011
Money Laundering Regs 2007**

Criminal Justice Model

- **Late intervention**
- **Financial investigation & reporting duties**
- **Few convictions for terrorism funding offences**
- **Associated confiscation ??**
- **Impact of disruption ?**

Regulatory Risk Model

ASSET FREEZES

**Pre-emption
Exclusion
Intelligence
Specialise proceedings
Effective targeting**

FATF STANDARDS

**Soft law – guidance
Role of stakeholders
Suspicion – ‘all risks’
‘Cultural incorporation’
‘Actionable’ intelligence**

Impact and Effectiveness RRM IVTS

- **Fairness**
- **Quality guidance & oversight = key to RBA**
- **Proportionality - gap aim and practice**
- **Enforcement**
- **Inclusion -‘cultural inertia’**
- **‘Cultural incorporation’**
- **Unintended consequences**
 - de-risking- Dahabshiil**
 - financial inclusion-humanitarian**

Conclusions

Balance – security, rights, inclusion

Quality of national oversight & supervision = key

Increasing reliance on private financial sector ‘policing’ of risk

RRM dominates but prosecution necessary to enforce

Assessing effectiveness – challenging, necessary, but neglected !!