

Action plan to strengthen the fight against terrorist financing

European Agenda on Security

Factsheet | December 2016

“My Commission has prioritised security from day one – we criminalised terrorism and foreign fighters across the EU, we cracked down on the use of firearms and on terrorist financing, we worked with internet companies to get terrorist propaganda offline and we fought radicalisation in Europe’s schools and prisons. But there is more to be done.”

European Commission President Jean-Claude Juncker
State of the Union address, 14 September 2016

Security has been a constant theme since the beginning of the Juncker Commission’s mandate – from President Juncker’s Political Guidelines of July 2014 to the latest State of the Union address on September 2016.

The European Agenda on Security guides the Commission’s work in this area, setting out the main actions to ensure an effective EU response to terrorism and security threats in the European Union. Since the adoption of the Agenda, significant progress has been made in its implementation, paving the way towards an effective and sustainable Security Union. President Juncker also created a specific Commissioner portfolio for the Security Union to ensure an effective implementation of the commitments made.



European Commission President Jean-Claude Juncker with Belgian Prime Minister Charles Michel

In February 2016, the European Commission set out an **Action Plan against terrorist financing** to ensure that Member States have the necessary tools at their disposal to address new threats.

The Action Plan focuses on two main strands of action:

- > Tracing terrorists through financial movements and preventing them from moving funds or other assets;
- > Disrupting the sources of revenue used by terrorist organisations, by targeting their capacity to raise funds.

In April 2016, the Commission identified the cutting of terrorists’ access to funds as one of the priority actions to be taken to complete an efficient and sustainable EU Security Union.

With today’s proposals, the European Commission is accelerating its action to strengthen the capacity of the EU to fight terrorism, making it harder for terrorists to finance their activities whilst making it easier for the authorities to detect and stop their financial movements by:

- > Ensuring the criminalisation of money laundering
- > Putting tighter controls on large cash flows
- > Freezing terrorists’ financial resources and confiscating their assets

Actions Completed	Proposals adopted by the co-legislators and being implemented	Proposals adopted by the Commission but not yet adopted by the co-legislators	Work ongoing
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Deadline	Action
Immediately	Speed up the concrete application of UN freezing measures by the EU, through enhanced information exchange and quicker implementation
	Give technical assistance to third countries to help them comply with UN measures such as sanctions and asset freezing
Early 2016	Adopt an EU blacklist to identify high risk third countries with deficiencies in fighting money laundering and terrorist financing
	Present an EU Action Plan to tackle illegal wildlife trafficking, including by terrorist organisations
	Update the EU Anti-Money Laundering Directive to address targeted issues: <ul style="list-style-type: none"> - Establish harmonised and enhanced due diligence measures for high risk third countries; - Tackle the risks of virtual currency exchange platforms and pre-paid instruments; - Propose centralised bank and payment account registers or electronic data retrieval systems for Member States; - Improve access to information and exchange of information for Financial Intelligence Units
	Boost information sharing between Member States, the Commission and economic operators on how to implement restrictive measures such as UN sanctions
Second half of 2016	Give technical assistance to countries in the Middle East and North Africa to help them fight trafficking of goods and cultural goods by terrorist networks
	Help countries in the Middle East, North Africa and South East Asia to monitor and disrupt terrorist financing
	Propose new EU legislation to harmonise the criminal sanctions for money laundering
	Propose new EU legislation against illicit cash movements, including possible limits on cash or assets carried or transported across borders
	Assess the need for additional EU legislation for freezing terrorist assets within the EU
	Ensure mutual recognition by EU Member States of asset freezes and confiscations
2017	Assess new measures to complement the existing EU-US Terrorist Finance Tracking Programme
	Publish a report on money laundering and terrorism financing with recommendations to Member States
	Propose legislation to strengthen the power of customs authorities to tackle terrorists' trade in goods and cultural goods.