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UN Security Council Summit of Finance ministers
on Countering the Financing of Terrorism

Statement of Michel SAPIN
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Mr Chairman,

Ladies and Gentlemen,

One month ago France was struck by terrorist attacks on an unprecedented scale.

But France is not the only victim. No country is safe, no continent has been spared and, with every passing month, the list of savage attacks continues to grow – Lebanon, Turkey, Tunisia, Egypt and, also most recently, the United States. Since June 2014, 1,600 women and men around the world have lost their lives in terrorist acts carried out by ISIL (also known as Da'esh) or groups loyal to them. This concerns every one of us.

In the face of such indiscriminate barbarism, we all have a duty to act.

At such times, we all need to set aside our national characteristics and pull together, to push forward a collective will. It is here at the UN Security Council that this collective will should manifest itself. Because it is here that the history of all the major crises has been written. And we are now confronted with a crisis of such magnitude.

This is what I said with my European colleagues in Brussels just last week in front of that other resolutely collective body, that example of a shared desire, that is the European Union. Terrorism is a threat for the whole world but, especially, for European construction. Europeans must jointly equip themselves with the means of addressing this threat.

Tomorrow, the Foreign Affairs Ministers will meet in this same room – where they are more used to meeting than us – to discuss a political solution to the crisis in Syria. But we are driven by the same priority, guided by the same determination, as global security is our joint responsibility. Our colleagues contribute to this by coming up with solutions to armed conflicts. We now have to play our part by stemming the flow of money which funds these conflicts and thereby stifling the action of the terrorists who feed off them.

Because what sets Da'esh apart and makes it so powerful is the fact that it has amassed a sizable war chest by a variety of means, including smuggling, extortion, and trafficking. There is no crime that Da'esh will not commit to finance itself.

We, the Finance ministers who are gathered here today, have a duty to understand these financial flows and to put a stop to them. We must do everything in our power to choke off terrorism.

The resolution adopted here today provides tangible solutions – it acknowledges Da'esh as an entity to be fought. It identifies specific sources of financing for this entity, including trading in oil, antiquities and works of art, kidnappings and ransoms, extortion, human trafficking, etc. It provides legal means to stop this, by freezing the assets of individuals and entities connected to this financing, throughout the world.

Now that this resolution has been adopted, we must implement it as quickly as possible. It will not be a deterrent if it does not lead to the UN Security Council adding names to the list. There is currently a list of individuals and entities that have been sanctioned due to their ties with Al Qaeda. Our focus is now on both Al Qaeda and Da'esh, and the list must be extended ! France is particularly concerned that this resolution be implemented quickly and effectively.



Leaving Da'esh aside for the moment, the recent attacks have also taught us that terrorists are constantly finding new sources of financing, including small amounts of money. We have a responsibility to ensure that none of these sources goes unnoticed. I see three specific challenges for finance ministers :

- First of all, we need to bolster the effectiveness of our financial intelligence. We need to have the necessary means to track suspicious financial flows. We must create closer ties between our FIUs and our intelligence and investigative services. We must significantly improve exchanges between FIUs in different countries. It is vital that information be better shared, as completely and rapidly as possible. Sometimes, a few hours can make the difference in preventing an attack.
- Our second challenge is anonymity. For those who want to discreetly transfer money, there are the traditional, old-fashioned methods : cash, gold or precious metals. These means of payment must be more closely supervised. Today, however, those who wish to quietly transfer funds may also employ more contemporary, innovative means – we are coping with the new risks of digital and virtual currencies. I speak from recent and painful experience : the attacks on 13 November were financed in part with prepaid cards, which allowed anonymous transfers and payments between Belgium and France. These are weaknesses we must address. The goal is not to forbid these innovative means of payment, but their anonymity must be lifted.
- Lastly, as terrorist financing is multiform and multifaceted, society as a whole needs to be galvanised. Private sector stakeholders must be just as vigilant as government departments. Last January, to raise French financial institutions awareness of the risk of financing terrorist groups linked to Da'esh, we called for them to step up due diligence measures. We have published a special guide for non-profit organisations and I have written to art dealers to advise them of the risk. I welcome the fact that the resolution calls for the exercising of enhanced vigilance by the private sector and economic stakeholders. This notion needs to be more broadly rolled out.

The work schedule is very heavy and much needs to be achieved.

I would like to use this occasion to thank the Financial Action Task Force (FATF) which is central to the fight against terrorist financing. It has an unclouded view of the weaknesses of its members in terms of criminalising terrorist financing and freezing terrorist assets. At the G20 Antalya Summit, held just after the Paris terrorist attacks of 13 November, the Heads of State and Government handed out an unambiguous mandate. We must stop dragging our heels. Now is the time to oblige these countries to make their systems effective. I would also like to specifically thank the President of the FATF for having held a special meeting on combatting terrorist financing last weekend in Paris. In February, at the next G20 Finance Ministers meeting in China, I hope we will be in a position to take new, efficient and powerful decisions.

An efficient FATF is a hallmark for the due and proper application of UN decisions. Similarly, it is vital that the FATF's work should inform discussions in this building. All too often, our institutions work in "silos" with diplomats talking to diplomats and financiers to financiers.

In this respect, I would like to congratulate Jack LEW for having initiated this first UN Security Council Summit of Finance ministers. I hope that our discussions will be fruitful as joint action guarantees effectiveness.