



**REGIONAL WORKSHOP ON PREVENTING TERRORIST ABUSE OF NON-PROFIT
ORGANIZATIONS,
DAKAR – SENEGAL, 1 – 3 JUNE 2015**

DRAFT MEETING REPORT

PREAMBLE

The Global Center on Cooperative Security (Global Center) in collaboration with the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA) and the United Nations Counter Terrorism Committee Executive Directorate (CTED) and with the support of the United States Department of State, organized a three day *Regional Workshop on Preventing Terrorist Abuse of Non-Profit Sector Organizations* at the Radisson Blu Hotel in Dakar - Senegal, from 1 to 3 June, 2015.

OBJECTIVES OF THE WORKSHOP

The objectives of the workshop were to:

- Raise awareness and develop a common understanding among stakeholders concerning effective and proportional responses to the risk of terrorist financing through the non-profit sector;
- Discuss relevant standards and share related good practices for reaching out to the non-profit sector, reviewing the sector and assessing risk, and pursuing investigations in cases of suspected abuse;
- Identify gaps in national regulatory frameworks, and in capacity, across the region;
- Enhance inter agency cooperation within governments (e.g. between regulators, law enforcement and financial intelligence units) as well as regional and international cooperation across governments;
- Build knowledge and networks, and facilitate a dialogue, between governments and the non-profit sector on this issue.

OPENING SESSION

The workshop was declared open by Mr. Brian SAPATI, Deputy Director General of GIABA. Other dignitaries at the opening session were Ms. Delphine SCHANTZ, Senior Legal Officer, United Nations on Counter Terrorism Committee Executive Directorate (UNCTED), and Jason IPE, Deputy Director, Global Center.

PARTICIPATION

Sixty five (65) participants attended the workshop. These included a range of national officials from charities regulators, law enforcement agencies and financial intelligence units. Subject matter experts were drawn from regional and international organizations, and from partner governments outside of the region. In addition, representatives of the nonprofit sector from each of the attending states participated in the workshop.

WORKSHOP

The workshop was facilitated by a group of regional and international subject matter experts including relevant officers from the GIABA Secretariat. Discussions at the workshop covered the following broad themes:

- a) Typologies of terrorist abuse of the NPO Sector
- b) Relevant international standards and mapping of regional implementation
- c) National systems for implementing those standards and protecting NPOs from abuse
- d) Outreach to NPOs and the financial services sector
- e) Risk assessment, intelligence gathering and investigations
- f) NPO perspectives on governance, management and operations

METHODOLOGY

The workshop comprised thematic panels, both in plenary session and in break-out groups. Discussions were frank and interactive, and conducted under the Chatham House rule.

OBSERVATIONS

In the course of the discussions several key observations were made, including:

- Civil society in West Africa is vibrant, diverse and robust, and makes critical contributions to people and communities across the breadth of public life. Across the region, several national constitutions enshrine rights to freedom of association, speech and religion.
- The non-profit sector is vulnerable to terrorist abuse, as well as other forms of abuse, such as fraud. Vulnerability to terrorist abuse is not well known among NPOs and the sector would benefit from a stronger empirical understanding of specific risks. Within the region, many NPOs are small, informal and effectively unregulated; their activities can pose a reputational risk to the sector as a whole. Formal NPOs and governments share an interest in establishing effective and proportional standards for regulation, including by building the capacity of the sector to facilitate self-regulatory initiatives.
- Levels of compliance with international standards (i.e. Financial Action Task Force Recommendation 8) are low across the region. But many states are taking action to address this, through new legislation and administrative arrangements, by undertaking a review of the sector (as required by R8) and through outreach to the sector.
- Some governments in the region consider NPOs to be “reporting entities” for the purpose of FATF’s Recommendations. However, this approach may introduce redundancy and impose an unnecessary burden on NPOs.¹

¹ On this point, previous consultations on this topic in other regions yielded the observation that, “In many jurisdictions, NPOs are required to operate through the formal financial sector, and their transactions are therefore already subject to monitoring by financial institutions ... NPOs [may be] already regulated by other government agencies in most instances and that they may not be well equipped to respond to reporting requirements designed for

- Interagency coordination among relevant government agencies – regulators, law enforcement and financial intelligence units – is critical in preventing and responding to cases of suspected terrorist abuse of NPOs, especially in gathering information and pursuing investigations.

Recommendations

Based on the observations, participants made the following recommendations:

- National authorities should undertake a holistic review of the non-profit sector, to better map and understand the sector, to assess the nature of the terrorist financing risk, and to determine the adequacy of existing legal and administrative arrangements.
- Governments should enhance outreach to the NPOs to raise awareness regarding vulnerabilities to terrorist abuse and to improve understanding of existing measures taken by NPOs to ensure robust standards of internal governance, including self-regulatory measures. In this regard competent authorities should endeavour to consult NPOs in the development of relevant laws, regulations and policies. Consultations between relevant stakeholders should be organized at the national level to follow up on the regional workshop.
- National authorities should take steps, where necessary, to review relevant legislation, and establish appropriate regulatory and monitoring mechanisms for the effective implementation of relevant international standards.
- NPOs should be encouraged to develop and participate in relevant self-regulatory frameworks, umbrella groups, and networks. These schemes and networks should also be utilized to raise awareness and capacity on preventing terrorist abuse of NPOs.
- Regulatory authorities should apply a risk based, proportional approach in the supervision and regulation of NPOs. That is, measures adopted by governments to protect NPOs from terrorist abuse should not disrupt or discourage legitimate charitable activities. Rather, such measures should promote transparency and the enjoyment of fundamental rights (to freedom of association, speech and religion), engendering greater confidence in the sector and enabling good works.

Conclusion

We wish to thank the Global Center on Cooperative Security, GIABA and CTED for organising the workshop. Also, we would like to seize this opportunity to express profound gratitude to the resource persons for the excellent delivery of the programme and in particular, for giving us the platform to exchange ideas and experiences.

financial institutions.” See Centre on Global Counterterrorism Cooperation, *To Protect and Prevent: Outcomes of a Global Dialogue to Counter Terrorist Abuse of the Nonprofit Sector* (2013), p.18.