



2nd Counter-Terrorism Financing Summit

BALI, AUGUST 2016



The **Nusa Dua** Statement



Since the 2015 Counter-Terrorism Financing (CTF) Summit in Sydney, the threat of terrorism has remained pervasive and its actions far-reaching with attacks in Europe, the Middle East, Asia, North America and Africa.

Against this backdrop, the 2016 CTF Summit was held in Nusa Dua, Bali, Indonesia on 10-11 August, co-hosted by the Indonesian Financial Intelligence Unit, Pusat Pelaporan Dan Analisis Transaksi Keuangan (PPATK) and the Australian Financial Intelligence Unit, AUSTRAC.

The Summit was opened by The Vice President of the Republic of Indonesia, His Excellency Jusuf Kalla, the Coordinating Minister for Political, Legal and Security Affairs of the Republic of Indonesia, General Wiranto and Australia's Attorney General Senator The Honourable George Brandis delivered remarks reflecting on the terrorist attacks of the past 12 months and the need to work collaboratively to combat terrorism and its financing.

The Summit was attended by 26 states and 240 representatives from the United Nations, government, industry, and civil society including academia and independent think tanks across the region and globe to build on the outcomes of the 2015 Sydney Communique and develop actionable outcomes flowing from the 2016 CTF Summit.

Based on the outcomes of two days of intense discussion and knowledge-sharing, the Summit participants:

Strongly condemn the terrorist attacks perpetrated in major capitals and cities such as Quetta, Paris, Jakarta, Brussels, Istanbul, Dhaka, Baghdad, Jeddah, Orlando and other locations, resulting in a significant number of civilians killed or injured.

Reiterate the central role of the United Nations and its Security Council in multilateral efforts to combat terrorism and its financing.

Underline that the "Islamic State in Iraq and the Levant" (ISIL) constitutes a global threat to international peace and security.

Welcome the International Meeting on Counter Terrorism, hosted by Indonesia and held concurrently with the Summit.

Acknowledge the progress made in strengthening domestic legal and regulatory frameworks since the last CTF Summit, and the commitment to maintain momentum to deliver the outcomes of the 2016 Summit.

Recognise that acts of international terrorism depend on financial support, and the financing of terrorism is a shared international concern.

Emphasise that governments cannot work alone to protect financial systems and regional security from terrorism and its financiers, and must enhance international co-operation with industry, civil society and the community in devising and adopting effective measures to prevent terrorism financing, share knowledge and promote collaboration.

Support the findings of the first Terrorism Financing Regional Risk Assessment (TFRRA) which articulated four major terrorism financing risks to the region, and that deeper intelligence cooperation, stronger domestic and regional

frameworks and better understanding of high risk terrorism financing channels are needed by all parties to effectively respond.

Encourage the continued involvement of the private sector in disrupting and preventing terrorism financing, and its participation in the CTF Summit through the inaugural Industry Forum.

Confirm that all objectives set out in the Sydney Communique have been realised.

Commit to promote stronger collaboration and innovation in countering terrorism financing by:

- Operationalising the TFRRA by undertaking the following priority actions which will be progressed by the 2017 CTF Summit:
 - The International Community of Experts (ICE), in collaboration with the Financial Intelligence Consultative Group (FICG), will collaborate to develop a set of high level requirements and an analysis of existing solutions to improve information sharing. This will include consideration of a secure and trusted mechanism which improves connectivity between governments to enhance the visibility of terrorist financing flows into the region. To establish a model to enable information on persons of interest and their financial activity to be shared in near 'real time' between participants (with options to improve sharing with the private sector). The ICE will also begin to develop and share best practise guides as well as open source tools.
 - The FICG will conduct an in-depth study of cross-border cash movements in the region to underpin the development of strategies for stronger monitoring and disruption at critical border points. The FICG will also address the issue of self-funding of terrorism by drawing on the expertise of regional civil society. This work will contribute to improved multilateral intelligence sharing and mechanisms to improve intra- and inter-agency collaboration, and to ensure industry transaction monitoring programs are contemporary.
 - Participants will work to update their assessment of higher-risk Non Profit Organisations (NPOs) in line with the Financial Action Taskforce's revised international standard, to serve as a basis for targeted oversight and outreach. The FICG will coordinate a regional assessment to inform regional, coordinated response options including outreach and education, as well as identifying, monitoring and where necessary, disrupting higher-risk charities and NPOs that have been compromised by terrorist groups.
 - Participants will examine potential drivers of change to the nature and extent of terrorism financing in the Southeast Asia Region and Australia.
- Strengthening regional cooperation on intelligence information exchanges including, where appropriate, the establishment of a multilateral analyst exchange program, initially with Southeast Asian countries and close partner FIUs such as Australia, to build skills and share information and expertise. The multilateral analyst exchange program will focus on the four high risk priorities as articulated in the TFRRA.

- Establishing a Community Outreach Consultative Group, which will:
 - Implement a 'Road Map' and develop, prioritise and implement appropriate educational tools ahead of the 2017 CTF Summit.
 - Develop a sustainable funding model to deliver regular and ongoing community engagement and education on terrorist financing risk, methodologies and typologies.
 - Consider future innovative education tools in collaboration with Southeast Asian countries to meet individual and regional needs.
- Continuing to build technical capability and consistency to maximise regional and global capacity to counter terrorism financing, and prevent the misuse of technology as potential means for terrorist financing.
- Continuing to hold a CTF Summit annually where all actions contained in this Statement will be reported on.