

**Statement on “Preventing abuse of the Non-Profit Sector for the Purposes of Terrorist Financing” at UN Counter-Terrorism Implementation Task Force Working Group Meeting on Tackling the Financing of Terrorism – 7 March, 2013**

- SE commends the UN and the CGCC for the inclusive approach to the subject of terrorist financing through civil society.
- This kind of multi-stakeholder dialogue provides for a better understanding of the problem, and hopefully paves the way for governments and CSOs to work together to counter terrorism. We also believe that dialogue is crucial to understand the many risks involved in addressing terrorist financing through CSOs.
- We appreciate the general consensus among stakeholders that the threat of terrorist financing should be articulated in ways which minimize disruption of the many positive contributions of the non-profit sector. In the light of the last years’ increasingly restrictive environments for civil society, this is extraordinarily important.
- The negative trend of growing restrictions also urges us to recall article 22 of the International Covenant for Civil and Political Rights (ICCPR), saying that a state must be able to show that proposed restrictions on the freedom of association are prescribed by law, in the interest of

legitimate government aims, and necessary in a democratic society. In this regard, we also encourage efforts to publicize transgressions.

- The rigorous legal analytical test of ICCPR also applies to restrictions to the right of CSO's to seek and secure resources. As evidenced by the ICNL in its report "Defending civil society", barriers to funding have become increasingly common in recent years, targeting foreign funding in particular. According to the OHCHR, as a result "organizations are closed down under the slightest of pretexts; sources of funding are cut off or inappropriately limited; and efforts to register an organization with a human rights mandate are delayed by intentional bureaucracy."<sup>1</sup>
- This is a situation we all want to avoid, and that is why we are here – working together to protect civil society from terrorist financing in ways that respect the enabling environment for CSOs.
- The working group has presented a number of relevant suggestions in this regard. I would like to emphasize the importance of those related to transparency and to self-regulatory mechanisms, such as the *Istanbul Principles for CSO Development Effectiveness*. Concerning transparency,

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<sup>1</sup> Fact Sheet No. 29: Human Rights Defenders: Protecting the Right to Defend Human Rights, p. 13.

it is worth mentioning the International Aid Transparency Initiative (IATI). This mechanism was agreed within the frame of the aid and development effectiveness agenda and offers a common vessel for data and documents on the activities of CSOs. Many international CSOs are already reporting according to this standard. The widespread use of a common global standard for data exchange on a detailed level can be vital when tracking use and misuse of funds.

- I would like to end where I began, by commending the UN and the CGCC for the effort to make this a multi-stakeholder effort to protect civil society from abuse by terrorist financing while promoting an enabling environment for CSOs to maximize their contributions to development.