

Report of the Fourth Meeting of the BIMSTEC Sub-Group on Combating the Financing of Terrorism

**19-20 March 2012
Bangkok, Thailand**

1. The Fourth Meeting of the BIMSTEC Sub-Group on Combating the Financing of Terrorism (SG-CFT) under the BIMSTEC Joint Working Group on Counter-Terrorism and Transnational Crime (JWG-CTTC) was held on 19-20 March 2012 in Bangkok, Thailand.
2. Delegates from Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand attended the Meeting. The list of delegates appears as *Annex I*.

Agenda Item 1: Opening Session

3. The SG-CFT Meeting opened with Welcoming Remarks by Pol. Col. Seehanat Prayoonrat, Secretary-General of the Anti-Money Laundering Board of Thailand (AMLO), as the Chair of the Meeting.
4. The Chair, on Thailand's behalf, emphasised the importance of cooperation in combating the financing of terrorism through intelligence sharing.

The other delegations all agreed on the need for closer cooperation due to the transnational border nature of ML/FT.

Agenda Item 2: Adoption of the Agenda

5. The agenda adopted by the Meeting appears as *Annex II*.

Agenda Item 3: Report of the Third Meeting of the SG-CFT in May 2007

6. Thailand briefed the Meeting on the outcomes of the 3rd Meeting of the SG-CFT during 15-16 May 2007 in Phuket. Details appear as *Annex III*.

Agenda Item 4: Matters for Consideration

4.1 Exchange Review of Activities

7. Thailand reported on what it has done in the areas of information sharing, exchange of study visits and sponsorship for BIMSTEC countries' membership in the Egmont Group. For information sharing, Thailand has signed MOUs with Myanmar, Nepal and Bangladesh and welcomes other countries to follow suit. On study visits, Thailand has made visits and received a delegation to AMLO. Lastly Thailand is sponsoring Myanmar, Nepal and Bangladesh in their application for Egmont membership.
8. The Meeting also noted progress made in the AML/CFT regime of each of the remaining countries.
9. India also informed the Meeting of its willingness to sponsor Bhutan's application for Egmont membership.

4.2 Presentation of Case Studies on “Underground Banking Related to the Financing of Terrorism”

10. Thailand presented its experience with underground banking related to FT. Details are as attached.
11. Myanmar enquired about Thailand’s plans to control NPOs. Thailand informed the Meeting that AMLO has consulted agencies concerned about the possibility of amending law under their respective mandate to enable onsite audit activities and empower them to require NPOs to submit B/S reports.
12. Bangladesh wished to know statistics on the value of FT in the south of Thailand. Thailand informed the Meeting that there are no specific figures. However according to banks, remuneration for each killing or bombing incident is only a small sum paid through ATM to unemployed teenagers.
13. Bangladesh made a presentation the details of which appear as attached. The point to be highlighted was that illegal remittance (Hundi) is prevalent. Precise statistics are not available due to the underground nature of the activity.
14. Sri Lanka expressed the opinion that the situation in Bangladesh now resembles that in Sri Lanka 30-40 years ago when terrorism did not seem a big problem but then the situation escalated over time to severity. Bangladesh thanked Sri Lanka for their opinion.
15. India told the Meeting that the authorities keep a closer watch on CFT for example, i.) large amounts of cash deposited in different parts of the country, and withdrawal via ATM in sensitive locations, ii.) credit card use in sensitive locations, iii.) debit card use. These are watched for traces of ML/FT. International money transfer to India has also been put under stricter regulation.
16. Myanmar made a presentation the details of which appear as attachment. The main point was that underground banking was first used because overseas Myanmar workers did not want to use government banks charging high fees. The government has now allowed private banks to operate and these charge lower fees and deal in different currencies. The government has also established a regime to monitor other financial services.
17. Sri Lanka made a presentation on FT: the case of LTTE. The details appear as attachment.
18. Thailand enquired about the present situation. Sri Lanka told the Meeting that the internal situation is under control. However terrorist groups operating from outside are still a threat.

4.3 New Initiatives: proposed program of cooperation among Member Countries

Thailand proposed the creation of a BIMSTEC List of Terrorism-Related Names modeled on the UN List for CFT purposes. The Meeting adopted the idea in principle but requested Thailand to prepare and circulate a concept paper on this before the next Sub-Group Meeting for adoption.

Agenda Item 5: Other Matters

19. Bangladesh made five proposals as follows:
 1. BIMSTEC countries should all have bilateral MOUs for information sharing between them.
 2. The Sub-Group should meet once a year and the venue of the meeting should be rotated among the member countries.
 3. There should be tele/video conferences among BIMSTEC countries.
 4. Information on the nodal points should be updated and circulated to members regularly.
 5. BIMSTEC countries should stand firmly together for common interests.

Agenda Item 6: Date and Venue of the Fifth Meeting of the Sub-Group

20. Bangladesh accepted the privilege offered by the meeting to host the 5th Meeting of the SG-CFT in January 2013. The exact dates will be announced later.

Agenda Item 7: Consideration and Adoption of the Report of the 4th SG-CFT Meeting

21. The Meeting adopted the report of the 4th Meeting of the BIMSTEC SG-CFT and the attached documents.
22. The Chair thanked the delegates for their active cooperation which resulted in a fruitful outcome of the Meeting.
23. The delegations from Bangladesh, Bhutan, India, Myanmar, Nepal and Sri Lanka expressed their sincere appreciation to the Chair for conducting the Meeting in a highly efficient manner. The delegates also expressed their gratitude to the Royal Thai Government, in particular, the Anti-Money Laundering Office, for its generous hospitality and excellent arrangements.
