

Information Note¹

Event: Three-day inter-sessional meeting of the Financial Action Task Force Working Group on Terrorist Financing and Money Laundering (FATF/WGTM) on Proliferation Financing and UN Security Council Resolutions, particularly resolution 1540 (2004)

Organizers: FATF/WGTM

Date and Venue: 7-9 September 2011, Paris, France (FATF Headquarters)

Participants: *States:* Australia, Austria, Belgium, Brazil, Canada, China, France, Germany, India, Japan, Hong Kong SAR, the Netherlands, Norway, Mexico, the Russian Federation, South Africa, Spain, Sweden, Turkey, the United Kingdom, and the United States
Organizations: FATF Secretariat, Gulf Cooperation Council (GCC – a FATF member as an organization), the Middle East and North Africa regional FATF-style body (MENAFATF), European regional FATF-style body (Moneyval), the United Nations (representatives from 1267 Monitoring Team, the Counter-Terrorism Executive Directorate, the 1540 Committee Experts, and from the Panel of Experts for the DPRK and Iran Sanctions Committees) and the World Bank
Other Expertise: European Commission

1. Objectives of the workshop

- Discuss the proposal to amend FATF Recommendation 31 on information sharing to apply to proliferation financing in relation to several UN Security Council resolutions.
- Discuss a Best Practices Paper developed by the FATF/WGTM Subgroup on Proliferation Financing-related Information Exchange to provide guidance on implementing the proposal.
- To consider a paper on legal matters related to proliferation financing, including a possible definition of proliferation financing.

2. Background

In late 2007, the FATF began to address the issue of compliance with various UNSC resolutions, including 1540, with implications for governing financial institutions and financial transactions related to proliferation finance. In early 2008, FATF brought together nonproliferation and financial specialists to begin the process. The products of its efforts appear in a Typology Project Team [report](#) to the WGTM in 2009 and the "*Combating Proliferation Financing: A Status Report on Policy Development and Consultation*" ([Status Report](#)) of the WGTM and its proliferation financing project team in April 2010, as well in statements made at the 1540 Committee Comprehensive Review and the December 2010 meeting of international, regional, and sub-regional organizations in Vienna. The WGTM decided to undertake additional consultations on the topic of proliferation financing, with a view toward establishing recommendations and guidance. The course of discussions of proliferation financing at the last FATF

¹ For information – not an official report. The views expressed here do not necessarily represent the view of the 1540 Committee nor of the organizers or participants in the workshop.

Plenary session prompted the WGTM to seek to settle several outstanding issues in the September 2012 inter-sessional meeting.

3. **Highlights**

- Members of the WGTM agreed to propose to the FATF Plenary an amendment to FATF Recommendation 31 (R31) on information sharing among domestic authorities to include proliferation financing.
- The WGTM agreed on a Best Practices Paper, with one exception, related to the proposed amendment, which it will submit in advance to the FATF Private Sector Consultative Forum. With feedback from the Forum, a new draft will be finalized for submission to the FATF Plenary in conjunction with the proposed amendment.

4. **Additional comments**

For further information, please contact the 1540 Committee experts by e-mail at 1540experts@un.org