



EBA CFT training for supervisors

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EBA CFT training for supervisors- opening remarks by EBA Chairperson Jose Manuel Campa

Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort

Dear colleagues,

Welcome to the EBA's first ever training for supervisors that is dedicated to countering the financing of terrorism.

I don't need to tell you why countering the financing of terrorism is important. For many of us it is personal: Europe has seen its fair share of terrorist attacks, and that threat is changing and rising.

There is a lot that we as regulators and supervisors can do to stop terrorist financing, and so I am very pleased that so many of you are joining us today to learn about the latest typologies and trends, and to learn from each other.

For us at the EBA, countering the financing of terrorism is at the heart of everything that we do. It is written into our founding regulation, and we are leading work to make sure that financial institutions and supervisors know what is expected of them. Our 2021 Opinion on ML/TF risk, our revised guidelines on ML/TF risk factors, and our guidelines on

cooperation between FIUs, prudential supervisors and AML/CFT supervisors that we published last month are just a few examples of what we have done recently, and more is to come.

I believe that there are three constituent parts to an effective approach to countering the financing of terrorism.

The first part is the risk-based approach.

The reference to the risk-based approach as a cornerstone of an effective counter-terrorist regime might seem surprising at first. Countering the financing of terrorism is often used as a synonym for sanctions screening, which is, of course, rules-based. But let's remember that those that make it onto sanctions lists are just the tip of the iceberg: they are those that are already known to pose a threat. Those groups and individuals that are not known do not appear on sanctions lists, and that is why the risk-based approach, which allows institutions and supervisors to focus on those areas and those transactions that pose the greatest terrorist financing risks, is key to preventing and detecting terrorist financing across the board.

This brings me to the second constituent part of an effective regime for countering terrorist financing, which is information sharing.

Without good information, supervisors and financial institutions cannot know where the greatest risks lie, and this is true in particular when it comes to terrorist financing risk, which is evolving at pace and is significantly less easily understood than money laundering risk. Lack of understanding or an out-of-date understanding of terrorist financing risks gives rise to significant vulnerabilities, especially in those Member States where the phenomenon of radicalisation is more prevalent, or where the numbers of foreign fighters and returnees are high. So we need to work together to exchange information and make sure that supervisors, institutions and law enforcement have access to the best and most up-to-date information to inform our respective terrorist financing risk assessments and mitigation strategies.

And therefore, the final, third, component of an effective regime for countering terrorist financing is cooperation.

Terrorist financing cannot be stopped by one actor alone, or by one Member State. That is why strengthening cooperation is a key focal point for the EBA, both across borders – and I am sure many of you will have participated in the new AML/CFT colleges that are now being set up across the EU – and domestically, and here I note that some of you attended our recent Conference on Cooperation between FIUs, AML/CFT Supervisors and Prudential Supervisors organised at the end of June. Today our training session gathers an even larger range of experts around our virtual table to exchange views and learn from each other, looking in particular at innovative approaches that hold great promise, such as knowledge hubs where AML/CFT supervisors engage in close and ongoing cooperation with FIUs, law enforcement authorities, and the private sector.

So in summary, we need a proportionate and effective risk-based approach to countering terrorist financing that is based on the best information available and that is enforced appropriately and consistently by supervisors across the EU. Terrorist financing has no place in Europe, and it won't have a place if we all play our part.

I wish you a fruitful day of exchange and discussion.