NEW YORK - On December 17, U.S. Secretary of the Treasury Jacob J. Lew chaired a special meeting of the UN Security Council with finance ministers in New York on combating ISIL finance and all forms of terrorist financing. For the first time in its 70-year history, Security Council members were represented by their finance ministers—a step that underscores the importance of the financial effort to address the threat posed by terrorist organizations, including ISIL. The UN Secretary-General and the President of the Financial Action Task Force (FATF), the international standard-setting body on countering terrorist financing, also spoke at the meeting.

Isolating ISIL from the international financial system is an integral part of the Administration's strategy to degrade and ultimately destroy ISIL. Successfully countering terrorist financing requires a global response. The goal of this meeting was to bolster international efforts to further disrupt ISIL's sources of revenue and isolate ISIL from the international financial system.

At this meeting, Security Council finance ministers unanimously adopted a Security Council resolution that improves the international community's ability to disrupt ISIL financing and to counter the financing of terrorism more broadly.

Key Topics Covered During the Meeting

Strengthening Global Efforts to Disrupt Financing of ISIL and other Terrorist Groups

Security Council finance ministers today focused on urgent steps needed to deny ISIL access to funds and other forms of support, limit what ISIL can do with its revenue, and impose sanctions on ISIL's supporters and financial facilitators to isolate them from the international financial system. Ministers focused on efforts to ensure the international community is implementing global standards on countering the financing of terrorism. They emphasized the importance of sharing information on ISIL financing and committed to making the international financial system a hostile environment for ISIL.

The discussion built on work started over a year ago when the Global Coalition to Counter ISIL established the Counter ISIL Finance Group, chaired by the United States, Italy, and Saudi Arabia. The Counter ISIL Finance Group, which is made up of more than 30 members worldwide, is focused on enhancing the exchange of information on ISIL's financial activities, targeting ISIL's oil revenues, combating the financing of ISIL's affiliates, and addressing its sales of antiquities, among other topics.

Ministers also focused on means to more effectively disrupt terrorist financing more broadly, beyond ISIL. The international community already has an array of authorities and standards in place to combat terrorist financing, including UN and other multilateral legal and regulatory frameworks, such as the FATF's international standards. However, it is important that countries now implement these measures more rigorously.

For more, see Treasury Secretary Lew's statement as chair of this meeting here.

Background on the Resolution Adopted at this High-Level Event

Sharpening UN Tools to Counter Terrorist Finance

The principal UN tool to counter ISIL and Al-Qaida-related financing is the Security Council's 1267/1989 Al Qaida sanctions regime. For over fifteen years, the UN has had in place robust sanctions—including an asset freeze, travel ban and ban on transferring arms—against Al-Qaida and associated groups and individuals. These are binding measures taken under Chapter VII of the United Nations Charter, and UN Member States are required to enforce them without delay.

During this meeting, Security Council members, represented by their finance ministers unanimously adopted a resolution to review the UN sanctions on Al-Qaida and adapt these measures to the evolving terrorist threat. The Security Council has adopted a new 1267 resolution every 18 months to focus these sanctions on the latest trends in terrorist finance. This resolution will incorporate the substantial knowledge the international community has gained since the Security Council last reviewed these sanctions in June 2014, in particular to address ISIL's finances and the new ways in which terrorists and terrorist organizations acquire funding and support.

The key provisions of this new resolution include:

Recognizing the increasing prominence of ISIL as a global threat by renaming the current 1267/1989 Al-Qaida Sanctions Regime and List to the 1267/1989 ISIL (Da'esh) and Al Qaida Sanctions Regime and List.

Establishing "association with ISIL" as a new stand-alone criterion for imposing new sanctions designations (the previous criterion was "association with Al-Qaida").

Calling upon countries to criminalize financial transactions related to terrorism, including all transactions with individual terrorists and terrorist groups, not just those transactions tied to terrorist acts, in order to better disrupt the activities of foreign terrorist fighters.

Providing guidance on stopping ISIL’s oil smuggling, extortion and taxation, robbery, kidnapping for ransom, foreign donations, trade in antiquities, and human trafficking.

Calling on countries to improve communication and information sharing on terrorist financing among their government agencies.

Encouraging countries to enhance engagement with the private sector to better identify terrorist financing activity, particularly by encouraging governments to develop stronger relationships with financial institutions.

Underscoring the need for countries to better implement the international standards and guidelines developed by FATF to counter terrorist financing.

Requesting regular UN reporting on ISIL’s efforts to radicalize and recruit members, including foreign terrorist fighters, its sources of finance, including through illicit trade in oil, antiquities, and other natural resources, and its planning and facilitation of attacks.

Adding two new experts to the UN’s Al-Qaida Sanctions Monitoring Team to focus on ISIL (the Monitoring Team is composed of eight specialists who monitor implementation of the UN sanctions).

Requesting countries to provide a report to the UN on their progress in implementing the measures in this resolution.