



GOVERNMENT OF PAKISTAN  
NATIONAL COUNTER TERRORISM AUTHORITY  
ISLAMABAD

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Islamabad, the xx March, 2020

Chairman, National Accountability Bureau, Islamabad  
Chairman, Federal Board of Revenue, Islamabad  
Director General, Financial Monitoring Unit, Karachi  
Director General, Federal Investigation Agency, Islamabad  
Director General, Anti-Narcotics Force, Rawalpindi  
Addl. IG CTDs of Punjab Sindh, KP & Balochistan  
Home Secretary, Government of Punjab Sindh, KP & Balochistan

**Subject: Directive on International Cooperation in Terrorist Financing Matters**

Kindly refer to the subject cited above.

2. Pakistan's National Risk Assessment (NRA) 2019 provides a comprehensive information on inherent Money Laundering and Terrorist Financing (ML/TF) threats and vulnerabilities including transnational TF threats. In the cross-border context, the Transnational TF Threat Profiles of Key Terrorist Organizations provide guidance with respect to specific operational needs of relevant competent authorities in mitigating the TF risks arising from the global, regional and domestic terrorist organizations that are posing the most significant TF threats.

3. These assessments guide authorities that the TF threat in Pakistan is both domestic and external, as funds are generated both at home and in foreign countries for funding or otherwise supporting terrorist organizations and terrorist operations within the country and abroad. The challenges to trace financial links for moving TF funds in or out of the country include large undocumented/informal economy, extensive use of cash, significant illegal Hawala activity, use of cash couriers, Pakistan's geographical landscape with porous borders and existence of Afghan refugees in the country. While such TF risks continue to evolve over time, authorities at national level will continue its engagement with all agencies including law enforcement to update the

information wherever required and disseminate the understanding for targeting, investigating and prosecuting TF activities in line with the risks.

4. This backdrop and the TF risks posed by terrorist organizations warrants law enforcement agencies and other authorities to pursue international linkages of any TF risks by seeking international cooperation and providing in-time quality response on incoming requests from other countries. This is particularly important to target TF activity by knowing particular characteristics and financing activities of terrorist organizations, including sources of funding, channels used for TF, magnitude of funds raised or stored.

5. The international standards also require States to seek and provide international cooperation in TF matters by adopting a flexible and cooperative approach. For instance, the United Nations International Convention for the Suppression of the Financing of Terrorism (1999) requires the States Parties to cooperate in prevention of TF offences, by taking all practicable measures to prevent and counter commission of such offences within or outside their territories. The United Nation Security Council Resolution 1373 (2001) also calls upon all States to find ways of intensifying and accelerating exchange of operational information, especially regarding actions or movements of terrorist persons or networks and exchange information in accordance with international and domestic law and cooperate on administrative and judicial matters to prevent the commission of terrorist acts.

6. Keeping in view of above, the subject directive is being disseminated to relevant authorities, to continue and to support them in pursuing MLA and informal international cooperation in line with the risk profile for targeting, investigating and prosecuting terrorist financing activities. The authorities should adopt due procedures in accordance with law and international standards including but not limited to the following:

- a) The LEAs should examine the linkages of offences committed with a foreign country, entity or individual and initiate the case for seeking international cooperation as investigation or prosecution of terrorist financing cannot be done without the missing piece located abroad. The LEAs should prioritize the investigation of cross-border TF, ML and associated predicate offences.
- b) The potential international aspects of ML and TF investigations should be considered in all domestic proceedings; and international cooperation, whether formal or informal, should be resorted to by responsible agencies in line with Pakistan's ML and TF risk profile.

- c) The primary focus of tracing cross border TF links should remain on key risks areas including kidnapping and extortion, narcotics, proceeds from businesses, use of illegal MVTs and cash couriers including person to person (P2P) Hawala, raising funds in the name of social welfare activities for moving outside the country and funding of organizations from abroad.
- d) The LEAs shall provide all identifying information and other specific information supporting the request made to the foreign country including legal basis for the request, relevant facts & circumstances of the case warranting cooperation from other country, description of the offence and applicable penalty, description of the evidence/assistance requested, linkage between the investigation, prosecution or proceedings and the assistance sought, description of the procedure to be followed by the authorities of the requested State in executing the request to ensure that the request achieves its purposes, including any special procedures to enable any evidence obtained to be admissible in the requesting State and reasons and safeguards to be applied for protection of confidentiality of information received from requested country.
- e) Upon request, requesting competent authorities should provide feedback to the requested competent authority on the use and usefulness of the information obtained.
- f) With regards to incoming international requests in relation to TF, the authorities should ensure to provide information demonstrating quality, timeliness and prioritization of response. A feedback from the requesting country should also be sought on the use and usefulness of the information provided. The Ministry of Interior may issue detailed instructions in this regard.
- g) The channel of forwarding formal international cooperation (MLA) is through Ministry of Interior (being the Central Authority) upon request from relevant LEAs which would forward the request to Ministry of Foreign Affairs for onward submission to the concerned foreign government through proper diplomatic channels.
- h) In case of informal cooperation, the concerned authority may directly approach its counterpart in the foreign country for seeking international cooperation as per standard norms and practices.
- i) The LEAs should also routinely use FMU to exchange financial intelligence from foreign FIUs in their ML and TF investigations.
- j) The information should be used only for the purpose for which it was sought or provided. Any dissemination of the information to other authorities or third parties, or any use of this information for administrative, investigative, prosecutorial or judicial purposes,

beyond those originally approved, should be subject to prior authorization by the requested competent authority.

7. The authorities should note that enhanced international cooperation in TF matters can have a real impact on the ability of terrorist organizations/ their associates to operate successfully and can help to target their TF activities for successful investigations and prosecutions.

8. Forwarded for necessary action. please.

**(Mohammad Iqbal)**

Director General (CFT)

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Copy to:-

- i. Secretary, M/o Interior Islamabad.
- ii. Secretary, M/o Foreign Affairs Islamabad.
- iii. PS to National Coordinator, NACTA.
- iv. The DG, FATF Secretariat, Islamabad.
- v. Office Copy.