MINISTER OF FINANCE II

MALAYSIA

STATEMENT BY H.E. DATO SERI AHMAD HUSNI HANADZLAH, SECOND FINANCE MINISTER MALAYSIA

AT THE UN SECURITY COUNCIL MEETING OF FINANCE MINISTERS ON COUNTERING THE FINANCING OF TERRORISM

NEW YORK, 17 DECEMBER 2015

His Excellency Mr. Jacob Lew, United States Treasury Secretary and President of the Security Council for December,

Excellencies, ladies and gentlemen,

1. I join other Council members in thanking you Mr. President for convening this meeting which Malaysia fully supports.

2. I wish to acknowledge the presence of my counterparts around the table signaling our collective resolve to combat the scourge of terrorism, particularly its financing aspects.

3. I wish to also express appreciation to His Excellency Mr. Ban ki-Moon, UN

Secretary-General and Mr. Jay Yoon Shin, President of the Financial Action Task Force for their respective briefings on the issue at hand.

Mr. President,

4. I wish to echo and reinforce the sentiments by earlier speakers particularly with regard to the need for additional measures to further isolate the terrorist entity Da'esh or ISIL from the international financial system, with a view to effectively constrain and ultimately, cut-off their sources of funding.

5. Malaysia strongly condemns the multiple terrorist attacks including the

most recent in Paris, Beirut, Mali and the Sinai.

6. Malaysia strongly rejects the warped ideology of Da'esh. We fully reject any attempt on their part to link such ideology with Islam. Islam is a religion of peace, compassion, moderation and justice, and tolerant to all culture and religion.

7. Too many innocent people have paid the price of terrorism and the international community needs to step up and do more. These heinous attacks reaffirm the need for all countries to stand united and firm against terrorism. We believe the UN and other multilateral framework

provides the best platform for a coordinated and sustained action.

8. It is on this basis that Malaysia fully supports the present initiative by both Russian Federation and the United States and we welcome the unanimous adoption of resolution 2253, which we have co-sponsored.

Mr. President,

9. Malaysia welcomes the comprehensive coverage of the new resolution, to further focus the UN’s longstanding 1267/1989 Al-Qaida sanctions regime on evolving terrorist threat. This new resolution covers all aspects of member states obligations

with regard to establishing the necessary legal framework for criminalizing of terrorism financing and to operationalize terrorism financing sanctions through the listing and delisting process.

Mr. President,

10. On the domestic front, Malaysia has adopted a comprehensive framework that criminalizes terrorism financing and money laundering. Punishment for terrorism financing under Section 130N of the Penal Code carries severe penalties, amongst others, of up to 30 years of imprisonment. Terrorism financing offence is also provided under the Anti-Money Laundering,

Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001.

11. In June 2015, Malaysia underwent the Mutual Evaluation Exercise. Amongst others, the exercise highlights Malaysia's commitment to the FATF standards with our strong legal and regulatory framework for combating terrorism financing.

12. Malaysia’s legal framework for targeted financial sanction against terrorism provides strong tools to identify terrorist networks and take steps to freeze terrorist assets. The regime against terrorism is administered robustly and is well

implemented to a large extent for UNSCRs 1267.

13. Malaysia is well placed to adopt and implement the proposals contained in the new resolution. Our comprehensive National Anti-Money Laundering and Combating Financing of Terrorism Act Strategic Plan includes measures such as engaging with the private sector on terrorism financing issues, and implementing necessary measures.

14. Malaysia's financial regulators and compliance officers constantly exchange views and share information on issues relating to the implementation of anti-money

laundering and countering the financing of terrorism with our regional and international counterparts. We constantly work to identify key Da'esh threats including the trends and modus operandi of terrorism financing, enhance investigation techniques as well as conduct specialized training in relation to typologies, investigations and new areas.

Mr. President,

15. The threat of international terrorism has increased with the terrorists' capabilities to manipulate the various technological innovations of our time.

16. Hence, it is imperative that Member States resolve to undertake further multilateral and high priority measures to combat terrorist financing. Our experts will have to continuously work together to address the defining and urgent challenges arising from this threat.

17. The international community needs to be vigilant of the terrorist financing activities. Concerted efforts are urgently needed not only to adopt and implement the new resolution but to also renew our commitment to carry out these measures conscientiously to counter this challenge.

18. In conclusion, Mr. President, Malaysia joins other Council members in urging all Member States to continue to take appropriate measures to counter radicalisation and violent terrorism in all forms and manifestations that lead to terrorism, financing, recruitment and mobilization of individuals into terrorist groups.

I thank you, Mr. President.