



**PERMANENT MISSION
OF THE PRINCIPALITY OF LIECHTENSTEIN
TO THE UNITED NATIONS
NEW YORK**

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ARRIA FORMULA MEETING ON PREVENTING AND COUNTERING THE FINANCING OF TERRORISM

STATEMENT BY H.E. AMBASSADOR CHRISTIAN WENAWESER

PERMANENT REPRESENTATIVE OF THE PRINCIPALITY OF LIECHTENSTEIN TO THE UNITED NATIONS

Mr. President,

Liechtenstein is committed to ensuring that its financial center is not abused for any type of criminal activity. The prevention and countering of terrorist financing in particular is a top priority for us. Effective action to counter the financing of terrorism is a critical tool to weaken the operational capabilities of terrorists. The key to success in this area is strong domestic legislation that requires all financial intermediaries to exercise due diligence, backed up by government institutions such as financial intelligence units with the necessary resources and capabilities to follow-up on reported suspicious transactions. In the sixteen years of its existence, the Liechtenstein FIU has been the backbone of our domestic effort in this regard, in cooperation with its international partners. The Liechtenstein FIU furthermore continues to assist other countries in establishing and training their financial intelligence units, recognizing that capacity-building is key for our global effort to curb the financing of terrorism.

Mr. President,

In the same vein, Liechtenstein is deeply concerned by the growing link between terrorism and human trafficking and modern slavery. Terrorist groups use human trafficking and other slavery-related crimes both as a terrorist tactic and as a means to raise funds for terrorist purposes. And, the increased displacement and vulnerability of people, particularly women and girls, in and around, conflict zones further increases instances of human trafficking, and thus the potential involvement of terrorist

organizations. To help tackle this appalling state of affairs, Liechtenstein launched together with our partners Australia and the United Nations University: a Financial Sector Commission (FSC) on Modern Slavery and Human Trafficking – also known as the “the Liechtenstein Initiative”. The Liechtenstein Initiative responds directly to calls from the Security Council for States and the financial sector to tackle modern slavery and human trafficking.

The Liechtenstein Initiative brings together actors from retail banks, hedge funds, global regulators, institutional investors, survivors as well as the UN and the anti-slavery movement to develop actionable measures, which the global financial sector can build on to tackle modern slavery and human trafficking. Leveraging the crucial role played by the financial sector is key to blocking financial flows generated by slavery-related crimes. By handling funds generated by human trafficking and modern slavery, financial institutions risk violating a variety of existing laws – including in the area of financing of terrorism. This is why we have decided to utilize our expertise as a financial center to be a leader in global efforts to end modern slavery and human trafficking. The outcome of the work of the Liechtenstein Initiative will be presented during high-level week in September.

Lastly, Mr. President,

All States must uphold human rights when undertaking concrete counter-financing of terrorism measures. The UN must lead by example in areas where it undertakes concrete actions to prevent and combat terrorism. In this regard, the UN has already taken important positive strides in this respect with the implementation and the work of the Office of the Ombudsperson for the Al-Qaida sanctions regime. We call upon the Security Council to further enhance fair and clear procedures, and to apply the Ombudsperson mechanism to all other sanctions regimes. Full respect for human rights and humanitarian law, including due process rights, while countering terrorism is not only an obligation under international, but also essential part of an effective fight against terrorism. Liechtenstein will continue to take all necessary measures, in conformity with the rule of law and applicable human rights standards, to prevent any potential abuse of our financial center for terrorist’s purposes.

I thank you.