

# The Fight against Terrorism in the European Union

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## *Abstract*

*Since 11 September 2001 when the terrorist attacks from USA happened, the whole world and the perspective about terrorism have changed. Unfortunately, the phenomenon of terrorism is evolving and the existing networks have strong financing, benefiting of the last technologies. It represents a threat to the security, to the rights, to the freedom of people and to the values of society.*

*National, European and global institutions must fight against terrorism, developing strategies for combating this phenomenon and must invest in technology for adequate tools in order to protect the population and to allow citizens to live in safety.*

*Certainly, the terrorist threat in the EU is very high because terrorist are abusing freedom movement of people and resources. This is the reason why the member states are responsible for combating terrorism and for reducing the vulnerability to attack.*

*The aim of this article is to present the evolution of the terrorism in EU in the last years and the activities of EU institutions in counter-terrorism, including the legislative framework countering financing terrorism and its way of application in the EU member countries.*

*Terrorism cannot be justified, there are no excuses for the terrorist acts, but recruitment and radicalisation for international organizations has grown. Therefore, the risk for terrorist attacks will never be reduced to zero, but the authorities, from the smallest to the highest level must collaborate in order to be able to prevent and to deal with terrorist attacks, providing the right emergency response to the attacks, with minimal consequences for people.*

*Keywords: terrorism, European Union, counter-terrorism financing, legislative framework, money laundering*

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## Introduction

Combating terrorism represents the top priority for Europe 0, as well as for the whole world. For fighting against terrorism, it is mandatory to have an accurate information exchange flow and valid data.

Jihadist terrorism has increased since 2006, the peak being the attacks on the large scale from Paris in 2015, Brussels, Berlin and Nice in 2016 or Barcelona in 2017 **Eroare! Fără sursă de referință.**

Money, the driver of the terrorism, could come from legitimate activities or from illegal ones, existing a direct link between terrorism and money laundering. Certainly, the amount of money spent for terrorism is lower than drug traffic 0.

EU and global institutions fight against money laundering and counter financing terrorism, having a dedicated legislative framework.

The first objective of this article is to validate the hypothesis of the direct link between money laundering and terrorism, presenting the ways of financing terrorism in EU.

Secondly, a literature review of the legislative framework of EU counter-terrorism policy will be presented for one analyse of the efficiency of implementation in the financial system from Romania.

## Research Methodology

The goal of the research is to analyse how EU prevents and fights against terrorism in the context of its evolution in the last years.

The research question is if the member states transpose efficient the EU counter-terrorism policy into domestic law in order to prevent terrorist attacks, considering the evolution of the attacks.

For the first objective of the research, using the logical research method and quantitative data, it will be validated the hypotheses of the direct link between money laundering and terrorism, analysing the ways of financing terrorism.

In order to have specific results, using synthesis, it will be explored the legislative framework of EU counter-terrorism policy and through logical method it will be analysed the efficiency of its implementation in the financial system from Romania.

### 1. Terrorism in EU – Statistic Data

EU has been involved in counter-terrorism activities since mid-1970s, when during the 1972 Olympics from Munich, athletes were taken hostage. EU considered counter-terrorism policy a key goal, only after 9/11 attacks **Eroare! Fără sursă de referință..**

According to EU Terrorism Trend Report, in 2018 13 people died in 24 terrorist attacks of jihadist and 46 were injured. Compared to 2017, the trend is considerably decreasing, in 2017 being 10 attacks which killed 62 people and injured 844 people [8]. This decrease may illustrate the efficiency of counter terrorism measures.

Figure 1 indicates that ethno-nationalists terrorist attacks were the most frequent in United Kingdom (56) and in France (20), followed by 24 jihadist attacks, 10 being in France 0.

United Kingdom has suffered heavily after the terrorist attacks which caused the die of 6 people and injuries for 50 people in the attack from the House of Parliament. After this negative event, 59 people were injured and 22 people died after the suicide bombing from Ariana Grande concert **Eroare! Fără sursă de referință.**

Moreover, in EU Member States were reported 16 thwarted jihadist terrorist plans. Data indicates high terrorist activity 0

According to Figure 2, it were 1056 terrorism related arrests, 511 for jihadist terrorism, on top being France with 273 of suspects. The number of terrorism related arrests dropped slightly, compared to 1219 arrests in 2017. Most arrests are for jihadist terrorism over the past years (718 in 2016, 687 in 2015 and 395 in 2014) 0.

For these jihadist attacks were used firearms or unsophisticated weapons like knives. This is the reason of a lower number of victims.

However, the terrorists attempted to product and to use explosives and chemical biological materials, pyrotechnic mixtures for producing improvised explosive devices.

In 2018, 3 terrorist plots involving chemical, biological, radiological and nuclear materials were disrupted by the EU authorities. Furthermore, was observed an increase of terrorist propaganda and tutorials 0.

In the literature is much debated the role of EU as a very important counter-terrorism actor, being a supra-national community with a crucial role in the security sector. Bures, Léonard, Kaunert and Mackenzie support the counter-terrorism activities of EU in the external dimension, considering the community being the global coordinator of these actions 0.

On the other side, Argomaniz et. al consider EU a subsidiary for their member states when we speak about counter-terrorism policy 0

Bossong and Wiegand charge EU for losing the coordination of the network, being difficult to make counter-terrorism efforts in the 28 different member states **Eroare! Fără sursă de referință.**

Moreover, EU is criticized for its credibility as an international actor in counter-terrorism policy because it still exist internal terrorist attacks which are not well managed.

## 2. Financing Terrorism

Terrorist organisations collect money from illegal activities like smuggling and extortion of migrants or from legitimate businesses like business ventures 0. Another source of terrorist funding is loans which are never paid back 0.

Another way of financing is to collect charity funds apparent for humanitarian purposes, helping orphans or families of killed fighters, or for building mosques and wells 0

In Europe, the Kurdistan Workers' Party collects money from public events, membership fees, fundraising campaigns or the sale of publications. In 2018 was reported the sentencing of four individuals for financing the functioning of the association, for purchasing equipment for the military camps, weapons for guerrillas or for establishing attacks in Turkey 0.

One famous method of money transfer is Hawala, being based on trust. Using this method, terrorist pay money to hawaldars, brokers who operate different from the banking system. Most of these operators are found in United Arab Emirates, serving as an international platform for financing illicit activities. The network is sending money for terrorist organizations from outside the EU and is not financing the attacks from inside EU 0.

In Italy, in 2018, four individuals were arrested for suspicious money transferred to Syria. Money became from donations of Syrian people who live in Europe or from smuggling of Middle East migrants. These amounts were used for funding a Syrian terrorist organisation which proved affiliated to al-Qaeda 0.

Another investigation discovered a network of Lebanese who facilitates money laundering for EU organised crime groups, financing activities related to terrorism for Hezbollah's military wing through profit sharing 0.

Furthermore, the group foreign terrorist fighters was financial supported in Iraq, Syria or Libya through a mechanism which allowed money collection in Europe by facilitators. It were 5000 money transactions form 2000 senders, the total amount being 2 million euro 0.

Also, online donations through web sites, including virtual currencies are used for funding terrorism. For supporting groups of jihadists in Syria, it was made a fundraising campaign through the dark-web, using Sadaqa Coins 0.

Terrorists chose virtual currencies because facilitate high speed international transactions, are not standardized and easy accessible, allowing anonymity. Using virtual currencies for financing terrorism is not so often met among terrorists, comparing to the use in organised crime groups.

For financing terrorism, there are different schemes, varying from basic to the complex ones. There are facilitators, being part of illegal networks, who make often cash transaction, for avoiding being discovered 0.

These investigations demonstrates how terrorism financing, human trafficking, money laundering, migrant smuggling interlinked in the EU member states, fact which validates the hypothesis of the article.

### **3. EU Institutions' Fight against Terrorism**

The International Monetary Fund has programs on Combating the Financing of Terrorism and Anti-Money Laundering which has been integrated in the global system in collaboration with the Financial Action Task Force 0, AML and CFT policies being integrated because of their direct link.

The EU institutions - Eurojust and Europol work for counter-terrorism policy. From 2005 member states have to inform Europol about national investigations for terrorism, as a rule of European Council. It has a mandate to cover "all forms of serious cross-border crimes", like crimes linked to terrorism, for example illegal financing or weapons procurement 0.

Eurojust represents an "independent group of magistrates", having the main objective to improve cooperation and coordination among prosecutors and investigators who deal with serious crimes 0.

Considering the freedom of movement from EU, it can be stated that terrorist attacks are connected to more EU member states, even though it occurs in one member state. This is the reason why Eurojust helps to the judicial cooperation of EU member states for prosecuting the terrorists involved and to the financial support of the investigation teams if the terrorism cases are complex.

According to European Arrest Warrant, which is focused on the EU values like trust and mutual recognition, member states have to surrender the wanted terrorists to any member state, based on evidence and legitimate reason. EAW helps member states in counter-terrorism investigations, but they do not apprehend wanted terrorists due to the lack of legal jurisdiction 0.

The European Counter Terrorism Centre is established at Europol, being under the authority of the European Council. Starting from the existing tools and networks of Europol, ECTC develops new features for the EU counter-terrorism fighting, representing a central hub of EU's fight against terrorism 0.

ECTC is focusing on providing operational support in ongoing investigations, for EU Member States. Europol Information System represents the Europol's core database. EU Member States share and retrieve the necessary information through the system, for example financial accounts, suspects, means of communication or

firearms for terrorism and organised crime. In 2018, the EIS has information about 63 353 individuals suspect of terrorism.

The EU Internet Referral Unit delivers operational support for EU efforts to reduce access to online propaganda for terrorism 0

Europol Platform of Experts is one of the most important communication channel uniting 300 bomb experts and technicians for efficiently sharing knowledge, technical information and best practices, preparing for any incidents.

The European Cybercrime Centre contributes to the delivery of high-level technical and digital expertise in investigations of cases which imply cybercrime and terrorism. It was launched in 2013 by EU Members 0.

The Counter Terrorism Joint Liaison Team improves the quality of counter-terrorism cooperation through a platform which allows the fast exchange of operational information among analysts and counter terrorism experts of the EU or non-EU countries 0.

#### **4. Legislative Framework of Combating Terrorism in EU**

After the terrorist attacks from 11 September 2001, EU established a list of entities and groups who are related to terrorist acts, being subject of restrictive measures.

In 2005 was adopted the counter-terrorism strategy of EU for fighting against terrorism and for making Europe safer. This strategy is focused on four pillars: prevent through identifying the root cause and avoiding radicalisation recruitment, protect the EU citizens by improving their security and by reducing the vulnerability to attack, pursue terrorists globally disrupting support networks and remove access to attack materials and respond by minimising the consequences of an attack 0.

The first directive for anti-money laundering was adopted in 1990 in EU for preventing the financial system's fraud through money laundering. All the entities should apply the requirements regarding customer due diligence when business relationships are started. It is mandatory to identify the customer, to verify and to monitor the transactions in order to report the suspicious ones 0. This directive has been frequently revised for mitigating the risks of money laundering and financing terrorism.

In 2015 was adopted an updated regulatory framework: EU Directive 2015/849 which prevents the money laundering or terrorist financing (4th AMLD) and EU Regulation 2015/847 which makes fund transfers transparent through information about the payer accompanying the transfer of funds, helping authorities to discover terrorists or criminals [4].

Both regulations come from Recommendations of the FATF from 2012, and express the highest standards for counter terrorism financing and anti-money laundering 0.

Now, the 5th AMLD was published in the Official Journal of EU on 19 June 2018 and must be implemented by the member states until 10 January 2020 0.

The European Commission proposed an amendment to the existing rules for strengthening the fight against financing terrorism, in July 2016. In the same year, the Council released a directive for harmonising the using of data about EU passenger name record, establishing that it can be used only for the prevention, investigation, detection and prosecution of terrorist acts or crimes 0.

Moreover, the directive for controlling the weapons' acquisition and possession was adopted by the Council on 25 April 2017, improving the existing legislation, considering the lasts terrorist attacks from Europe.

Also, in 2017 was adopted another directive for combating terrorism in order to strength the prevention of terrorist attacks and to address the fact of foreign terrorists. Through this directive are incriminated acts like travelling or training for terrorist purposes, facilitating or organising these acts and collecting funds related to terrorist activities.

It was also adopted a directive amending the code of Schengen borders for reinforcing checks at external borders. This amendment asks member states to have systematic checks on all persons who cross external borders.

New rules were adopted for strengthen the Information System of Schengen, through information sharing.

The EU legislation for fighting against money laundering and financing terrorism is aligned to the international efforts.

The Commission has to implement the effective application of the legislation through "the review transposition of the EU acquis and to work with all the competent authorities" 0.

#### **4.1 Implementation of AML/CFT Directive in the Romanian Banking System**

For being compliant with the European directives, transposed into Romanian legislation through Romanian National Bank Regulation, Romanian banks have adopted rules which prevent illegal activities like money laundering and financing terrorism.

The Romanian legal framework concerning fighting against money laundering and financing terrorism is very wide, including Regulation 9/2008 for knowing customers in order to prevent money laundering and financing terrorism, law



656/2002 for preventing and sanctioning money laundering and the establishment of acts of financing terrorism with amendments, law 535/2004 for preventing and combating terrorism with amendments and many others laws, urgent ordering or government decision.

The key principle of this legislative framework is “knowing your customer” – Customer Due Diligence 0, in order to right evaluate the money laundering or financing terrorism risks. Banks should permanent evaluate these risks and report each client activity to National Bank. For this evaluation of the customers were established evaluations mechanisms and classification in risk classes.

If it exist a suspicious operation, banks will verify the customer identity and the transaction purpose and will report it to the National Office for the Prevention and Control of Money Laundering, whose mission includes the fight against financing terrorism. Moreover, very helpful are the international standard lists which include the countries with high risk for money laundering and terrorism.

### **Conclusions**

In the last years, EU has greatly strengthened its position as a global counter-terrorism actor through significant policies, tools and mechanisms in the fight against financing terrorism, but terrorist attacks still exist because the risk for terrorist attacks will never be reduced to zero.

It is very important for EU policies and systems to prevent as many as possible terrorist attacks and to have a mechanism which should efficiently respond to these attacks, minimising its consequences.

For reaching these objectives, the information sharing, together with high technology tools and strictly controls are essential in the no-end fight for the EU citizens’ safety, against the terrorism acts.

Also, the integration of the EU regulatory framework counter terrorism and its financing should be very deep integrated at the national level of the EU member states, EU institutions helping in the integration and sharing of all the useful data and being just a secondary aid factor in case of attacks.

As it was demonstrated, the two illegal activities – money laundering and financing terrorism are linked because complex terrorist attacks are dependent of high investments.

Concerning the implementation of the EU regulatory framework in the Romanian banking system, it was demonstrated through this article that the framework is very strictly and standardised and the risk of financing terrorism is under control because all the banks have control of their customers and of their transactions through well-established monitoring and reporting systems.

## 5. Abbreviations and Acronyms

- AML – Anti-Money Laundering
- AMLD – Anti-Money Laundering Directive
- CFT – Counter Financing Terrorism
- EAW – European Arrest Warrant
- ECTC – European Counter Terrorism Centre
- EIS – Europol Information System
- EU – European Union
- FATF – Financial Action Task Force

## 6. Figures and Tables

**Table 1. Number of the terrorist attacks per affiliation in 2018 reported by EU member states**

Member state	Types of terrorism						Total
	Jihadist terrorism	Left-wing terrorism	Right-wing terrorism	Ethno-nationalist and separatist terrorism	Single-issue terrorism	Not specified	
Belgium	1	-	-	-	-	-	1
France	10	-	-	20	-	-	30
Germany	2	-	-	-	-	-	2
Greece	-	6	-	-	-	-	7
Italy	1	10	1	-	1	-	13
Netherlands	4	-	-	-	-	1	4
Spain	1	3	-	7	-	-	11
Sweden	1	-	-	-	-	-	1
United Kingdom	4	-	-	56	-	-	60
Total	24	19	1	83	1	1	129

*Source:* Europol's annual EU Terrorism Situation and Trend Report 2019

Table 2. Arrests per affiliation in 2018 reported by EU member states

Member state	Types of terrorism						Total
	Jihadist terrorism	Righ-wing terrorism	Left-wing terrorism	Ethno-nationalist and separatist terrorism	Single-issue terrorism	Not specified	
Austria	35	-	-	-	-	-	35
Belgium	17	-	-	-	-	149	166
Bulgaria	14	-	-	-	-	-	14
Czech Republic	-	1	-	-	1	-	2
Denmark	3	-	-	-	-	-	3
France	273	32	3	2	-	-	310
Germany	43	8	-	5	-	3	59
Greece	2	-	20	-	-	-	22
Italy	40	1	8	2	-	5	56
Luxembourg	1	-	-	-	-	-	1
Netherlands	45	2	-	1	-	1	49
Poland	-	-	-	-	-	2	2
Slovakia	-	-	-	-	1	-	1
Slovenia	-	-	-	-	1	1	2
Spain	29	-	3	20	-	-	52
Sweden	7	-	-	-	-	-	7
Romania	2	-	-	-	-	-	2
United Kingdom	-	-	-	-	-	273	273
Total	511	44	34	30	1	434	1056

Source: Europol's annual EU Terrorism Situation and Trend Report 2019

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