

ATF Review

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General Issue

About this Issue

This General Topics Bulletin focuses on issues related to terrorist financing and terrorist financing prevention.

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INTRODUCTION

I am thrilled to release the first issue of *ATF Review*, your resource for staying up to date with developments in anti-terrorist financing (ATF) efforts, including scholarly outputs, government reports, and case law. This marks the beginning of what, hopefully, will be a valuable resource for you to develop your expertise in ATF.

Terrorist financing may be defined as the means or methods used by terrorist organizations to finance their activities. While money laundering and terrorist financing often exploit the same vulnerabilities in the financial system, they also differ in important ways that necessitate different approaches for reduction and mitigation efforts. For instance, in contrast to money laundering, in which money is derived from illegal means, the financing of terrorist activity can be either legitimate, such as from business profits or charitable organizations, or illegitimate in nature, such as from drug, weapon, or human trafficking. Similarly, whereas the stages involved in money laundering are often fixed and occur in a linear fashion (i.e., placement, layering, and integration), the stages involved in terrorist financing can be non-linear and vary based on the type of terrorist financing under focus. Finally, the motivations underlying terrorist financing differ from those involved in money laundering. In particular, terrorist financing can occur with the end goal to advance political or social objectives or create fear and tension, whereas money laundering occurs so that bad actors can profit off of their criminal behavior. Given the differences between these two forms of financial crime, *ATF Review* was developed as a sister bulletin to the anti-money laundering-focused bulletin, *AML Review*, to focus specifically on ATF.

This issue of *ATF Review* is general in nature and includes published peer-reviewed research in ATF since the start of 2025. This issue features an article by Honga, Gikonyo, and Asaala (2025) which expands on the similarities and differences between money laundering and terrorist financing. Also, in this issue are articles by Bures (2025), Ismail, Nazri, and Zolkafilil (2025), and Umar (2025) which examine terrorist financing and counter-terrorist financing in the European Union, Malaysia, and Nigeria, respectfully. Last, included in this issue is an article by Akcinaroglu and Shi (2025) which examines the impact of cryptocurrency on terrorist operations.

If you have an idea for a future bulletin or have materials you would like to share, please contact CIFA-BC@rcmp-grc.gc.ca.

Sincerely,

Dr. Catherine Shaffer-McCuish
Editor, *ATF Review*
Counter Illicit Finance Alliance of British Columbia Intelligence Hub

INCLUDED DISSEMINATIONS

Academic Articles

- Akcinaroglu, S., & Shi, M. (2025). Exploring the impact of cryptocurrency on terrorism. *Terrorism and Political Violence*, 37, 111-135.
- Bures, O. (2025). The new EU authority for anti-money laundering and countering the financing of terrorism: A paradigm shift in EU efforts to combat terrorist financing? *Studies in Conflict & Terrorism*. Advance online publication, 1-31.
- Honga, I. S., Gikonyo, C., & Asaala, E. (2025). From overlap to distinction: Disentangling the concepts of terrorism financing and money laundering. *Journal of Money Laundering Control*, 28, 171-183.
- Ismail, N. H., Syed Mustapha Nazri, S. N. F., & Zolkafilil, S. (2025). Assessing the competency of compliance officer knowledge in mitigating terrorism financing risks: Malaysian perspective. *Journal of Money Laundering Control*, 28, 237-252.
- Umar, B. (2025). Links between terrorism financing and organised crime in Nigeria. *Journal of Financial Crime*, 32, 147-153.

ACADEMIC ARTICLES

Project and Scholarly Work

Akcinaroglu, S., & Shi, M. (2025). Exploring the impact of cryptocurrency on terrorism. *Terrorism and Political Violence*, *37*, 111-135.

Abstract

The nexus between economic motivations and terrorist activities has been extensively theorized, but existing explanations often overlook the contemporary shifts in terrorist financing ushered in by technological advancements. The advent of cryptocurrencies, with their hallmarks of anonymity, decentralization, liquidity, usability, and profitability, has bestowed upon terrorist groups new avenues for raising funds while remaining largely clandestine. This exploratory research delves into the repercussions of this digital financial realm, examining how Bitcoin popularity, price volatility, and regulatory frameworks influence the operational latitude of terrorist groups. Drawing on the Global Terrorism Database (GTD) for terrorist attack data, coupled with Google Trends data on “bitcoin” searches from 2009 to 2020 as an indicator of cryptocurrency popularity in each country, the study uncovers a nuanced dynamic. While the rising prominence of cryptocurrencies subtly amplifies the operational sphere for terrorist outfits, the uncertain nature of Bitcoin prices as well as the legal and regulatory landscape act as deterrents.

Project and Scholarly Work

Bures, O. (2025). The new EU authority for anti-money laundering and countering the financing of terrorism: A paradigm shift in EU efforts to combat terrorist financing? *Studies in Conflict & Terrorism*. Advance online publication, 1-31.

Abstract

This article explores the recent reforms of the European Union (EU) aimed at strengthening the fight against money laundering and terrorist financing, focusing on the creation of the new EU Anti-Money Laundering Authority (AMLA). It provides a comprehensive analysis of both the legal and institutional innovations introduced by the new framework, evaluating their potential impact on counter-terrorist financing (CTF) efforts across the EU. It identifies key shortcomings in the previous EU CTF measures, such as inconsistent national implementations, overreporting, and the challenges posed by de-risking practices. While the establishment of AMLA represents a significant step towards a more coordinated and harmonized approach to CTF, its success will depend on the EU’s ability to ensure the long-term implementation of not only preventive but also repressive tools in the fight against terrorist financing, which were not covered within the new EU CTF framework.

Project and Scholarly Work

Honga, I. S., Gikonyo, C., & Asaala, E. (2025). From overlap to distinction: Disentangling the concepts of terrorism financing and money laundering. *Journal of Money Laundering Control*, *28*, 171-183.

Purpose: This paper aims to address the existing gap in the anti-money laundering/counter-financing of terrorism (AML/CFT) regime and explore the possibility and effectiveness of disentangling the nexus between the two concepts. **Method:** The approach undertaken is doctrinal legal research by employing rigorous analysis of the legal terms of terrorism financing and money laundering. **Results:** Upon analysis, the study confirms that the two concepts are distinct; there is a slight overlap in the methods of acquisition of funds for both terrorists and money laundering; however, the purpose and intention of the two are totally separate and therefore creates a need for singular approach in tackling the two

concepts. Enhanced collaboration between states and increased financial technologies will aid in better tackling of the two menaces.

Project and Scholarly Work

Ismail, N. H., Syed Mustapha Nazri, S. N. F., & Zolkafilil, S. (2025). Assessing the competency of compliance officer knowledge in mitigating terrorism financing risks: Malaysian perspective. *Journal of Money Laundering Control*, 28, 237-252.

Purpose: Terrorism had a profound impact on the global economy, society and security. Malaysia encountered a comparable scenario in the Movida attack. The availability of funds is a crucial determinant for successful terrorist activities. Hence, a guideline was introduced to deal with terrorism financing. As reporting institutions, the compliance officers are the gatekeepers to report any suspicious transaction related to money laundering and terrorism financing. However, lack of study has looked into the role of the compliance officer in reporting potential terrorism financing activities. Hence, this study aims to examine the factors that influence terrorism financing reporting, focusing on terrorism financing policy, terrorism financing red flags and the integrity of the officers. Method: A total of 120 responses were collected among the compliance officers and 91 responses were analyzed using multiple regression analysis. Results: Findings show that only terrorism financing policy and terrorism financing red flags influence suspicious transaction reporting among the compliance officers. Hence, there is a need to focus on officer's competency, by enhancing the training module, especially on the latest terrorism financing trends and red flags.

Project and Scholarly Work

Umar, B. (2025). Links between terrorism financing and organised crime in Nigeria. *Journal of Financial Crime*, 32, 147-153.

Purpose: This study aims to assess terrorism activities to identify measures required to mitigate the rise of terrorism activities and their metamorphosis into organised criminal activity through the prevention, disruption and dismantling of sources of financing terrorism. Method: A qualitative methodology was adopted for this study using descriptive synthesis from recent publications and reports of reputable organisations, i.e. relevant grey literature, key informant interview and a focus group discussion. This triangulation approach was used to cross-validate the findings. Results: The findings revealed that terrorism financing is most likely linked to organised crime for generating revenues and is further used to finance the activities of terrorists.