

**Question for written answer E-000839/2021
to the Commission**
Rule 138
Gunnar Beck (ID)

Subject: Involvement of NGOs in terrorist financing

NGOs are often used as fronts for terrorist financing. This is recognised by Recommendation 8 of the Financial Action Task Force, Europol, Eurojust, Moneyval, and various reports from the EU Court of Auditors¹ and national competent authorities². However, the Commission went on the record before this committee saying that it saw no need to bring NGOs under the scope of the European anti-money laundering (AML) rules³. Moreover, the Court of Justice of the European Union recently ruled that Hungary's attempt to bring non-profit organisations under the scope of its national AML rules violated the free movement of capital⁴.

Almost in parallel with this ruling, the French Government outlawed the non-profit organisation 'Collectif contre l'islamophobie en France' as an Islamist organisation. This NGO received 35 000 euros from George Soros' Open Society Foundation back in 2012. This is, of course, only one of many hundreds of examples across Europe. At present, there seems to be some reluctance at EU level to scrutinise NGOs for purposes of terrorist financing.

What steps will the Commission take to close this loophole and apply the same scrutiny to NGOs as to other rich organisations?

¹ European Court of Auditors' Special Report No 35/2018 of 18 December 2018 entitled 'Transparency of EU funds implemented by NGOs: more effort needed'.

² 2017 Annual Report of the Maltese Commissioner for Voluntary Organisations.

³ European Parliament's Committee on Economic and Monetary Affairs meeting of 5 September 2019.

⁴ Judgment of the Court of Justice of 18 June 2020, European Commission v Hungary, C-78/18.