

National measures to counter terrorist financing

THREE OBJECTIVES:

Identification: Roll back anonymity in the economy to improve the tracking of suspicious transactions

Surveillance: Step up stakeholder due diligence to fully benefit from this transparency

Action: Bolster capacities to freeze terrorist assets

EIGHT MEASURES:

Before

Measure decided on by the government

Date of entry into force

IDENTIFICATION		
<p><i>Too much cash in circulation and anonymous means of payment in general restrict the traceability of payments and the ability to counter terrorist financing.</i></p>	<p>Measure No. 1: The limit on cash payments will be reduced:</p> <ul style="list-style-type: none"> - from €3,000 to €1,000 for natural persons and legal entities resident in France (does not apply to payments made between private individuals). - from €15,000 to €10,000 for non-residents. 	<p>1 September 2015 (decree)</p>
	<p>Measure No. 2: Banks will systematically report cash deposits and withdrawals of over €10,000 (in a single month) to TRACFIN.</p>	<p>1 January 2016 by decree (requires updates to the financial establishments' information systems)</p>

COUNTERING TERRORIST FINANCING

<i>A large amount of capital transits by freight, especially air freight, with no requirement for these movements to be declared to customs, which is an obligation relating solely to capital sums over €10,000 transported by natural persons.</i>	Measure No. 3: Obligations to declare physical transfers of capital from other European Union countries will be extended to freight and express freight.	1 January 2016 (decree)
<i>Too many financial transactions using prepaid cards and presenting a high risk of money laundering or terrorist financing escape an ID check.</i>	Measure No. 4: Tighter regulations will be introduced on purchasing, reloading and using prepaid cards.	The 4 th European Anti-Money Laundering “Package” will be incorporated into French law
SURVEILLANCE		
<i>Payment accounts (such as Nickel accounts opened with tobacconists), whereby natural persons can deposit and withdraw cash and send and receive transfers, are not yet covered by the National Centralised Bank Accounts Register (FICOBA) and it therefore cannot monitor them.</i>	Measure No. 5: These accounts will be included in the FICOBA register (National Centralised Bank Accounts Register).	Starting on 1 January 2016, these accounts (including the 80,000 Nickel accounts already open) will be included in the FICOBA register
<i>It is currently possible to anonymously exchange up to €8,000 in foreign currency.</i>	Measure No. 6: ID will be required for all currency exchange transactions over €1,000.	1 January 2016 (decree)

COUNTERING TERRORIST FINANCING

Due diligence by all financial institutions and by firms is vital to detect and counter financial flows bound for terrorism everywhere.

Measure No. 7: Enhanced due diligence (checks on the origins of funds, grounds for the transaction and the recipient's identity) will be required for all transactions of "unusually high" sums (including consumer credit and cash transfers).

Consultations will be launched with professionals in the first half of 2015 to set the relevant thresholds.

ACTION

The finance and interior ministries can currently jointly order the freezing of all or part of the funds, financial instruments and economic resources held with certain bodies and belonging to natural persons or legal entities committing or attempting to commit acts of terrorism for a renewable period of six months.

Measure No. 8: These "freezing" measures will be applied to sales of immovable and movable assets.

Consultations with sector stakeholders in the first half of 2015.