

## 5.2. Terrorism and Other Crime (Financial Restrictions) Bill 2014 – Second Reading approved

Mr Watterson to move:

*That the Terrorism and Other Crime (Financial Restrictions) Bill 2014 be read a second time.*

**The Speaker:** We turn now to Terrorism and Other Crime (Financial Restrictions) Bill and I call on the mover, again, the Hon. Member for Rushen, Mr Watterson.

**Mr Watterson:** Thank you, Mr Speaker.

In moving the Second Reading of the Terrorism and Other Crime (Financial Restrictions) Bill, I think it is worth reminding ourselves that notwithstanding the challenges we face, we are very fortunate to live in a safe island community, which enjoys low rates of crime and within which there are no obvious reasons to think about, let alone fear terrorism. However, outside of the Island, the threat posed by terrorism is real and current.

What happens outside the Island affects us because terrorists need funding in order to make preparations for or execute terrorist acts. The Isle of Man has promoted itself very successfully over the years as a well-regulated offshore finance centre and it is in the Island's vital economic and national interests to ensure that there is no ability for terrorists to achieve their nefarious ends by using the Island as a place to hide, or as a safe and discreet place for which the funding of their operations may be facilitated due to any weaknesses, however small, in our legislation.

The Bill is promoted for three reasons. Firstly, the new Order in Council applying the UK's Terrorist Asset-Freezing Act 2010 was brought to Tynwald and the then Chief Minister gave a commitment that the matters contained within the Order in Council would be translated into Manx legislation after the General Election in 2011. Indeed, Tynwald has recognised that legislation should be undertaken domestically, rather than through an Order in Council.

Secondly, through its various bodies, such as the United Nations, the Financial Action Task Force, the International Monetary Fund, the Organisation for Economic Co-operation and Development, and Moneyval, the international community maintains a watching brief on the work the countries of the world undertake to combat terrorism and comply with international conventions in this matter. Indeed, the Island was recently inspected by Moneyval and its report was published in September 2013. The report made some recommendations to further improve the Island's anti-terrorist legislation in relation to the countering of terrorist financing proliferation and money laundering. So the Bill addresses those issues.

The third reason behind this Bill is that it seems sensible to draw all the measures designed to counter the financing of terrorism together in one Act with similar procedures and penalties.

Schedule 4 to the Act sets out the repeals, which include repealing part VII of the Anti-Terrorism and Crime Act 2003, which deals with freezing orders and the Terrorism (Finance ) Act 2009 which will be repealed entirely.

In the event that this Bill is passed and receives Royal Assent, the intention will then be to seek the removal of the Order in Council. The aim is to have two items of legislation dealing with terrorism, rather than three, as is currently the case.

Mr Speaker, while the detail of the Bill is for debate at clauses stage, I hope through this speech to have given Hon. Members a fair picture of the background reasons for and purpose of this Bill and I beg to move that the Second Reading of the Terrorism and Other Crime (Financial Restrictions) Bill be approved.

**The Speaker:** Hon. Member for Onchan, Mr Quirk.

**Mr Quirk:** Thank you, Mr Speaker.

I beg to second, sir, and reserve my remarks.

**The Speaker:** In that case, I put the question that the Terrorism and Other Crime (Financial Restrictions) Bill be read for the second time. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.