

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:7835  
ANSWERED ON:17.05.2002  
TERRORISM FUNDING  
A.D.K. JEYASEELAN

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government have recently discussed with USA sharing financial information to crack down on terrorism funding;
- (b) if so, the complete details thereof; and
- (c) the merits and demerits of such an understanding with the USA?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) & (b): At the fourth meeting of the India- U.S. Joint working Group on counter -terrorism held on 21-22 January in New Delhi, the two sides had detailed discussions, inter alia, on financing of terrorist activities and agreed that the widespread use of informal channels for financial flows presents a special challenge to governments. They agreed that closer cooperation and strengthening mutual capabilities in cutting off financial flows to terrorist organizations will constitute an important component of their counter-terrorism cooperation.

( c) International cooperation to cut off financial assets and transfer of funds to terrorist organizations is an important component of the war against international terrorism. This is recognized by the UN Security Resolution 1373 of 28th September 2001. Government cooperates with the international community, including the United States, in accordance with domestic law and with due safeguards.