

[REPUBLIC ACT NO. 10168, June 18, 2012]

AN ACT DEFINING THE CRIME OF FINANCING OF TERRORISM, PROVIDING PENALTIES THEREFOR AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Short Title.* – This Act shall be known as "The Terrorism Financing Prevention and Suppression Act of 2012".

SEC. 2. *Declaration of Policy.* – It is the policy of the State to protect life, liberty, and property from acts of terrorism and to condemn terrorism and those who support and finance it and to recognize it as inimical and dangerous to national security and the welfare of the people, and to make the financing of terrorism a crime against the Filipino people, against humanity, and against the law of nations.

The State, likewise, recognizes and adheres to international commitments to combat the financing of terrorism, specifically to the International Convention for the Suppression of the Financing of Terrorism, as well as other binding terrorism-related resolutions of the United Nations Security Council pursuant to Chapter 7 of the Charter of the United Nations (UN).

Toward this end, the State shall reinforce its fight against terrorism by criminalizing the financing of terrorism and related offenses, and by preventing and suppressing the commission of said offenses through freezing and forfeiture of properties or funds while protecting human rights.

SEC. 3. *Definition of Terms.* – As used in this Act:

(a) *Anti-Money Laundering Council (AMLC)* refers to the Council created by virtue of Republic Act No. 9160, as amended, otherwise known as the "Anti-Money Laundering Act of 2001, as amended".

(b) *Anti-Terrorism Council (ATC)* refers to the Council created by, virtue of Republic Act No. 9372, otherwise known as the "Human Security Act of 2007".

(c) *Covered institutions* refer to or shall have the same meaning as defined under the Anti-Money Laundering Act (AMLA), as amended.

(d) *Dealing, with regard to property or funds* refers to receipt, acquisition, transacting, representing, concealing, disposing or converting, transferring or moving, use as security of or providing financial services.

(e) *Designated persons* refers to:

(1) any person or entity designated and/or identified as a terrorist, one who finances terrorism, or a terrorist organization or group under the applicable United Nations Security Council Resolution or by another jurisdiction or supranational jurisdiction;

(2) any organization, association, or group of persons proscribed pursuant to Section 17 of the Human Security Act of 2007; or

(3) any person, organization, association, or group of persons whose funds or property, based on probable cause are subject to seizure and sequestration under Section 39 of the Human Security Act of 2007.

(f) *Forfeiture* refers to a court order transferring in favor of the government, after due process, ownership of property or funds representing, involving, or relating to financing of terrorism as defined in Section 4 or an offense under Sections 5, 6, 7, 8, or 9 of this Act.

(g) *Freeze* refers to the blocking or restraining of specific property or funds from being transacted, converted, concealed, moved or disposed without affecting the ownership thereof.

(h) *Property or funds* refer to financial assets, property of every kind, whether tangible or intangible, movable or immovable, however acquired, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such funds or other assets, including, but not limited to, bank credits, travellers cheques, bank cheques, money orders, shares, securities, bonds, drafts, or letters of credit, and any interest, dividends or other income on or value accruing from or generated by such funds or other assets.

(i) *Terrorist* refers to any natural person who: (1) commits, or attempts, or conspires to commit terrorist acts by any means, directly or indirectly, unlawfully and willfully; (2) participates, as a principal or as an accomplice, in terrorist acts; (3) organizes or directs others to commit terrorist acts; or (4) contributes to the commission of terrorist acts by a group of persons acting with a common purpose where the contribution is made intentionally and with the aim of furthering the terrorist act or with the knowledge of the intention of the group to commit a terrorist act.

(j) *Terrorist acts* refer to the following:

(1) Any act in violation of Section 3 or Section 4 of the Human Security Act of 2007;

(2) Any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in the hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act;

(3) Any act which constitutes an offense under this Act, that is within the scope of any of the following treaties of which the Republic of the Philippines is a State party:

(a) Convention for the Suppression of Unlawful Seizure of Aircraft, done at The Hague on 16 December 1970 ;

(b) Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on 23 September 1971 ;

(c) Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, adopted by the General Assembly of the United Nations on 14 December 1973;

(d) International Convention against the Taking of Hostages, adopted by the General Assembly of the United Nations on 17 December 1979;

(e) Convention on the Physical Protection of Nuclear Material, adopted at Vienna on 3 March 1980 ;

(f) Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on 24 February 1988 ;

(g) Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, done at Rome on 10 March 1988 ;

(h) Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf, done at Rome on 10 March 1988; or

(i) International Convention for the Suppression of Terrorist Bombings, adopted by the General Assembly of the United Nations on 15 December 1997.

(k) *Terrorist organization, association or a group of persons* refers to any entity owned or controlled by any terrorist or group of terrorists that: (1) commits, or attempts to commit, terrorist acts by any means, directly or indirectly, unlawfully and willfully; (2) participates as an accomplice in terrorist acts; (3) organizes or directs others to commit terrorist acts; or (4) contributes to the commission of terrorist acts by a group of persons acting with common purpose of furthering the terrorist act where the contribution is made intentionally and with the aim of furthering the terrorist act or with the knowledge of the intention of the group to commit a terrorist act.

SEC. 4. *Financing of Terrorism.* – Any person who, directly or indirectly, willfully and without lawful excuse, possesses, provides, collects or uses property or funds or makes available property, funds or financial service or other related services, by any means, with the unlawful and willful intention that they should be used or with the knowledge that they are to be used, in full or in part: (a) to carry out or facilitate the commission of any terrorist act; (b) by a terrorist organization, association or group; or (c) by an individual terrorist, shall be guilty of the crime of financing of terrorism and shall suffer the penalty of *reclusion temporal* in its maximum period to *reclusion perpetua* and a fine of not less than Five hundred thousand pesos (Php500,000.00) nor more than One million pesos (Php1,000,000.00).

Any person who organizes or directs others to commit financing of terrorism under the immediately preceding paragraph shall likewise be guilty of an offense and shall suffer the same penalty as herein prescribed.

For purposes of this Act, knowledge or intent may be established by direct evidence or inferred from the attendant circumstances.

For an act to constitute a crime under this Act, it shall not be necessary that the funds were actually used to carry out a crime referred to in Section 3(j).

SEC. 5. *Attempt or Conspiracy to Commit the Crimes of Financing of Terrorism and Dealing with Property or Funds of Designated Persons.* – Any attempt to commit any crime under Section 4 or Section 8 under this Act shall be penalized by a penalty

two degrees lower than that prescribed for the commission of the same as provided under this Act.

Any conspiracy to commit any crime under Section 4 or Section 8 of this Act shall be penalized by the same penalty prescribed for the commission of such crime under the said sections.

There is conspiracy to commit the offenses punishable under Sections 4 and 8 of this Act when two (2) or more persons come to an agreement concerning the commission of such offenses and decided to commit it.

SEC. 6. *Accomplice.* – Any person who, not being a principal under Article 17 of the Revised Penal Code or a conspirator as defined in Section 5 hereof, cooperates in the execution of either the crime of financing of terrorism or conspiracy to commit the crime of financing of terrorism by previous or simultaneous acts shall suffer the penalty one degree lower than that prescribed for the conspirator.

SEC. 7. *Accessory.* – Any person who, having knowledge of the commission of the crime of financing of terrorism but without having participated therein as a principal, takes part subsequent to its commission, by profiting from it or by assisting the principal or principals to profit by the effects of the crime, or by concealing or destroying the effects of the crime in order to prevent its discovery, or by harboring, concealing or assisting in the escape of a principal of the crime shall be guilty as an accessory to the crime of financing of terrorism and shall be imposed a penalty two degrees lower than that prescribed for principals in the crime of financing terrorism.

SEC. 8. *Prohibition Against Dealing with Property or Funds of Designated Persons.* – Any person who, not being an accomplice under Section 6 or accessory under Section 7 in relation to any property or fund: (i) deals directly or indirectly, in any way and by any means, with any property or fund that he knows or has reasonable ground to believe is owned or controlled by a designated person, organization, association or group of persons, including funds derived or generated from property or funds owned or controlled, directly or indirectly, by a designated person, organization, association or group of persons; or (ii) makes available any property or funds, or financial services or other related services to a designated and/or identified person, organization, association, or group of persons, shall suffer the penalty of *reclusion temporal* in its maximum period to *reclusion perpetua* and a fine of not less than Five hundred thousand pesos (Php500,000.00) nor more than One million pesos (Php1,000,000.00).

SEC. 9. *Offense by a Juridical Person, Corporate Body or Alien.* – If the offender is a corporation, association, partnership or any juridical person, the penalty shall be imposed upon the responsible officers, as the case may be, who participated in, or allowed by their gross negligence, the commission of the crime or who shall have knowingly permitted or failed to prevent its commission. If the offender is a juridical person, the court may suspend or revoke its license. If the offender is an alien, the alien shall, in addition to the penalties herein prescribed, be deported without further proceedings after serving the penalties herein prescribed.

SEC. 10. *Authority to Investigate Financing of Terrorism.* – The AMLC, either upon its own initiative or at the request of the ATC, is hereby authorized to investigate: (a) any property or funds that are in any way related to financing of terrorism or acts of terrorism; (b) property or funds of any person or persons in relation to whom there is probable cause to believe that such person or persons are committing