

## MEMORANDUM

**To:** Members of the Committee on Financial Services

**From:** FSC Majority Staff

**Date:** July 13, 2017

**Subject:** July 18, 2017, Terrorism and Illicit Finance Subcommittee Hearing Entitled “Managing Terrorism Financing Risk in Remittances and Money Transfers”

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The Terrorism and Illicit Finance Subcommittee will hold a hearing entitled “Managing Terrorism Financing Risk in Remittances and Money Transfers” at 2 p.m. on Tuesday, July 18, 2017, in Room 2128 of the Rayburn House Office Building. This will be a one-panel hearing with the following witnesses:

- Mr. Duncan DeVile, Senior Vice President, Global Head of Financial Crimes Compliance, Western Union
- Mr. Matthew Oppenheimer, President and Chief Executive Officer, Remitly
- Mr. John Cassara, Member, Board of Advisors, Center on Sanctions and Illicit Finance, Foundation for the Defense of Democracies
- Mr. Scott Paul, Chief Humanitarian Policy Advisor, Oxfam America

Remittances are commonly thought of as transfers of money sent by migrants and foreign immigrant communities to their home countries, but also broadly refer to the transmittal of money from one distant place to another. Formal remittances through official banking channels or money services businesses (MSBs) generally provide those in developing countries access to the formal financial sector, enable investment and entrepreneurship, and reduce poverty. Remittance transfers can also be sent through informal channels to evade the scrutiny of regulators and law enforcement, including hawala networks, meaning “transfer” in Arabic, which are trust-based alliances of transferring money between parties. This hearing will explore the terrorist and illicit financing risks that are inherent in any form of asset transfer whether through formal banking channels, MSBs, other legitimate remittance networks, or through informal and unregulated value-transfer systems.