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Regulating foreign funding of Islam in Europe to prevent radicalisation and Islamophobia

Report¹

Committee on Political Affairs and Democracy

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Summary

The purpose of this report is to see to what extent the foreign funding of Islam in Europe is or is not transparent. If it is not transparent enough, to what extent does this lack of transparency really allow the phenomenon of radicalisation to flourish? And if this proportion is small while being real, how can one avoid, as part of the financing of Islam, that an amalgam is made with all the Muslim communities and that Islamophobic sentiments do not develop?

One of the main conclusions is that looking beyond the diversity in situations, in relations between states and religions and in the organisation of the Muslim faith itself and how it is funded, the questions that surround certain foreign funding of Islam touch on a reality which, despite the absence of global and aggregate statistics, cannot be denied.

With regard to the different types of measures taken by certain member States to regulate foreign funding of Islam, the rapporteur makes several recommendations and underlines the importance of increasing transparency of foreign funding and treating all religions on an equal footing.

¹ Reference to Committee: Doc. 14180, Reference 4260 of 23 January 2017.

A. Draft resolution²

1. The question of foreign funding of Islam in Europe has occupied a prominent place in the public debate in many Council of Europe member States for a number of years now, and may raise certain concerns. The Parliamentary Assembly considers that whatever these concerns may be, member States must ensure that they do not result in widespread suspicion of foreign funding in general.

2. Reiterating that, according to the Council of Europe's Venice Commission, the right to request and receive voluntary donations, whatever the origin of the donations, is inherent to religious activities, the Assembly calls on member States to clearly reaffirm that not all foreign funding of religion is a problem in itself and that, on the contrary, it can help to foster inter-faith dialogue and more openness in religious worship.

3. The Assembly notes that looking beyond the diversity in situations, in relations between states and religions and in the organisation of the Muslim faith itself and how it is funded, the questions that surround certain foreign funding of Islam touch on a reality which, despite the absence of global and aggregate statistics, cannot be denied.

4. First of all that reality concerns the use of religion by certain states as a means of exerting influence in a foreign country, which becomes a problem when it goes beyond simply providing support to a religious community to enable it to practice its faith freely and is designed either to export a radical form of Islam or to foster a sort of Islamic nationalism in the target communities.

5. In this connection, the Assembly refers to its [Resolution 1743 \(2010\)](#) "Islam, Islamism and Islamophobia in Europe" in which, already eight years ago, it had noted with concern that "some Islamic organisations active in member States have been initiated by governments abroad and receive financial support and political guidance from those governments. (...) National political expansion into other states under the guise of Islam should be brought to light. (...) member States should require transparency and accountability of Islamic as well as other religious associations, for instance by requiring transparency of their statutory objectives, leadership, membership and financial resources."

6. With regard to the different types of measures taken by certain member States to regulate foreign funding of Islam, the Assembly urges member States to:

- 6.1. put an end to any foreign funding of Islam which is used for the purpose of national political expansion into other States under the guise of Islam;
- 6.2. reject all attempts of interference in their territory by foreign organisations which aim to put in place a parallel society, and not to allow foreign funding to reach any organisations which undermine human rights and dignity and oppose living together as guaranteed by the principles of democracy, the rule of law and human rights. In particular, any foreign attempt to indoctrinate the youth must be prevented;
- 6.3. ensure full compliance with the framework established by the European Convention of Human Rights, the case law of the European Court of Human Rights, the Venice Commission and the Assembly; this implies, in particular, that a general ban on all foreign funding is arguably unreasonable and not necessary in a democratic society, that regulations introducing discrimination between different religious groups on religious grounds must be banned and that any regulations governing funding should be proportionate;
- 6.4. focus these measures on increasing transparency, for example through annual financial reports clearly identifying the origin of any foreign funding and how it is used, including funding received through informal transfer systems, such as money brokers or *hawala* networks. It also recommends involving Muslim organisations in this promotion of transparency, through preventive actions vis-à-vis donors and the entities which receive the donations.

7. When more drastic measures are considered, such as a sweeping ban on foreign funding, the Assembly recommends:

- 7.1. first organising a broad consultation, with clearly defined aims;

² Draft resolution adopted unanimously by the committee on 11 September 2018.

7.2. treating all religions on an equal footing;

7.3. refraining from placing the Muslim community under any general suspicion which may lead to Islamophobia and, on a broader level, from instrumentalising the question of foreign funding.

8. The Assembly notes that regulating the funding of the Muslim faith can have positive consequences regarding the organisation of a European Islam, by fostering the emergence of representatives to liaise with the public authorities. It is also convinced that the appropriate response to the rudimentary and literalist Salafist theology which cultivates the breeding ground from which terrorist acts can grow is to promote an enlightened Islam. In this respect, it notes a fairly widely shared tendency in several member States to improve the level of training for imams, including theological training, and limit the intake of imams trained abroad.

9. Therefore the Assembly encourages member States to introduce courses that promote an enlightened Islam, calls on them to devote substantial means to this, which also meet the needs of the religious communities, and supports initiatives to set up European faculties of theology open to Islam.

10. The Assembly also takes note of recent studies showing that the integration of Muslims in several European countries, as shown by their strong attachment to their countries of residence, for example, seems to have progressed over the last 15 years, that features specific to them, in terms of their religious beliefs and their ties with their countries of origin or those of their ascendants, remain, and that they continue to be the victims of Islamophobic feeling on a significant scale.

11. Referring to paragraphs 3, 13 and 20 of its [Resolution 1743 \(2010\)](#) “Islam, Islamism and Islamophobia in Europe”, and to [Resolution 2076 \(2015\)](#) “Freedom of religion and living together in a democratic society”, the Assembly calls on member States to take these specific features into account and to increase their efforts to combat Islamophobia, for while foreign funding can facilitate radicalisation, Islamophobia is also one of its breeding grounds.

12. Lastly, the Assembly invites member States to implement the Action Plan adopted by the Committee of Ministers on “The fight against violent extremism and radicalisation leading to terrorism” ([CM\(2015\)74addfinal](#)), while at the same time noting the importance the Plan accords, in its preventive proposals, to measures which encourage living together on an equal footing in culturally diverse democratic societies.

B. Explanatory memorandum by Ms Fiala, Rapporteur

1. Origin, scope and purpose of the report

1. The controversy triggered in France by words spoken in a sermon by the imam of the Grand Mosque in Toulouse, translated and posted on line in June 2018 by the Middle East Media Research Institute (MEMRI),³ well illustrates the subject of this report.

2. The sermon, given in December 2017 by a Franco-Algerian imam, Mr Mohammed Tataï, who had lived in Toulouse (France) for 30 years, included an anti-Semitic *hadith*.⁴ Some French newspapers referred to the imam's "double language", which they said encouraged radicalisation. Most of the reports also mentioned that he preferred to preach in literary Arabic rather than in French. Some journalists, on the other hand, pointed out that the imam had previously officiated at the Grand Mosque in Paris, that he was active in inter-faith dialogue and that he was not considered "radical", but rather "moderate". In addition, a supporter of his, Algeria's Minister for Religious Affairs Mr Mohammed Aissa, is said to have spoken in Mr Tataï's defence, saying that he was "a man who would not break the laws of the country he lives in" and lashed out at the "extremist media (...) which should cease their attacks on Islam".⁵ Lastly, several articles stressed Mr Tataï's close ties with the Algerian authorities, who, they pointed out, had helped to fund the construction of the Grand Mosque in Toulouse.

3. However it may develop,⁶ this case is marked by accusations of radicalisation on the one hand, the denunciation of a certain Islamophobia on the other, and the public intervention of foreign authorities who appear to have helped to fund a Muslim place of worship. All the ingredients of the current debate on foreign funding of Islam in Europe are present here.

4. My interest in the question of religious funding is nothing new. It is the logical result of a conclusion I came to some time ago that the funding of religions is not always fully transparent. I come from a country where a religion, when officially recognised, has access to public funds through what we call the "*Kirchensteuer*" or church tax. Therefore it is quite easy to find out how much money the public authorities collect for allocation to the different religions. However, unlike non-profit associations, which are subject to a series of obligations regarding their accounts, there are no real constraints on religions as to how they use their public funds. Yet large sums of money are at stake.

5. It will come as no surprise, therefore, that this difference of treatment gives rise to some suspicion, especially when certain religions are involved in financial scandals, like the one the German episcopate faced in 2013. It was obliged to be much more transparent by making its assets public, which it had never done before. We all know that lack of transparency can lead to questionable practices and, in turn, to suspicion.

6. In view of the current security environment, foreign funding of Islam has in recent years attracted particular attention and the alleged lack of transparency opens the door to political speculations, suspicion and fears, including the fear of possible misuse of such funds for the purposes of radicalisation. Moreover, because Islam in Europe is, on the whole, not funded on an equal footing with the other religions, it can be perceived as being particularly vulnerable to influence exerted by generous donors.

7. The purpose of the report is therefore to see to what extent the foreign funding of Islam in Europe is or is not transparent. If it is not transparent enough, to what extent does this lack of transparency really allow the phenomenon of radicalisation to flourish? And if this proportion is small while being real, how can one avoid, as part of the financing of Islam, that an amalgam is made with all the Muslim communities and that Islamophobic sentiments do not develop?

³ <https://www.memri.org/tv/toulouse-imam-tatai-recounts-antisemitic-hadith-prophecies-israel-end/transcript>.

⁴ On 31 March 2017 in the Masjid Al-Faruq mosque in the Nørrebro district of Copenhagen, Denmark, in a sermon calling for the murder of Jews, imam Mundhir Abdallah, against whom criminal proceedings have been brought because of the sermon, quoted the same *hadith*.

⁵ http://memri.fr/2018/07/08/reactions-a-la-traduction-et-mise-en-ligne-par-memri-du-sermon-de-limam-mohamed-tatai-reprenant-un-hadith-antisemite-doutes-du-journal-le-monde-justification-du-recteur-de-la-grande-mosque/#_ednref2.

⁶ A preliminary investigation has apparently been opened to determine whether Mr Tataï's words can be classified as an offence. The imam explained his side of the story in a press release and was heard at the Grand Mosque in Paris, which has commented on this issue on two occasions.

2. Methodology and terminology used

8. In order to measure the reality of the link between foreign funding of Islam, radicalisation and Islamophobia, I made two fact-finding visits. The first, to Vienna, focused on the law on Islam enacted in 2015, which updated a text from the Austro-Hungarian Empire, dated 1912, containing strong provisions on the funding and organisation of Islam. The aim of the second visit, to London, was to understand how the United Kingdom, usually so reluctant to meddle in religious matters, dealt with potential problems linked with the funding of Islamist extremist activities. This was interesting because the UK and Austria had completely different traditions when it came to managing religious matters, but both are home to large Muslim communities.⁷

9. I also sent a detailed questionnaire to the parliaments in Germany, Belgium, Bulgaria, the United Kingdom, France, Switzerland and Turkey on the different legislations regulating the funding of religions, as well as the figures on which the flows of funds could shed some light.⁸ These parliaments were selected based on the size of the Muslim communities in the countries concerned and how long they had been established there. Five of the seven parliaments replied – all but the Bulgarian and Turkish parliaments.

10. Lastly, in connection with this report the Committee heard Mr Jean-Pierre Chevènement, a former French Minister of the Interior and Religious Affairs, President of the Foundation for Islam in France, who presented one of the European models for the organisation of religions, that of a strict separation between the latter and the public authorities, with all the consequences this entailed for financing.

11. The Assembly, for its part, has on a number of occasions called upon the Council of Europe member States to combat radicalisation and extremism.⁹

12. At the same time, at its 125th session in Brussels on 19 May 2015, the Committee of Ministers adopted an Action Plan on “The fight against violent extremism and radicalisation leading to terrorism” (CM(2015)74addfinal). The Secretary General of the Council of Europe made public its implementation in a [final report](#) published in April 2018.

13. While the Action Plan includes a wide range of measures, it remains relatively silent on the definition of radicalisation. The term “radicalisation” does not refer to a legal category but rather to something in the realm of the social sciences, which explains why there is no consensus as to its definition¹⁰.

14. The experts do appear to agree, however, on the extremist and totalitarian nature of radical ideas, and on the acceptance of recourse to violence to put them into effect. Yet it is not always guaranteed that radicalised individuals will resort to violent action.

15. As far as funding is concerned, this leads me to broaden the scope of this report to the movements and individuals who profess, allegedly in the name of the Muslim religion, values incompatible with the values shared by the Council of Europe’s member States, namely those of human rights, democracy and the rule of law. As our colleague Mr Mogens Jensen stated in 2010, in his report “Islam, Islamism and Islamophobia in Europe” (Doc. 12266), in paragraph 28: “Islamism, also called political Islam, is an ideology which aims at getting political influence in order to apply Islamic principles in the world. Muslims who think that the precepts of Islam are not just a religious belief but should be fundamental to the political and social order of society can be called Islamists. Islamists believe that Islam guides all spheres of life and therefore do not accept the separation of religion and state. They attempt to reach their goal either through peaceful indoctrination, propaganda and political struggle or by violent methods such as assassination and terrorism.” Foreign funding promoting this vision should not be allowed in Council of Europe member States.

16. I add that the Action Plan of the Committee of Ministers supports this view in point 2.1.1. of document CM(2015)74addfinal, which advocates “Living together as equals in culturally diverse and democratic societies”. Organisations which oppose such living together should not be allowed to receive foreign funding.

17. With regard to Islamophobia, the Jensen Report emphasised that this term was often used to describe prejudice or discrimination against Islam and Muslims. But it was also rightly stated in paragraph 41 that “the

⁷ For the programmes of my visits, see [AS/Pol/Inf \(2017\) 18](#) and [AS/Pol/Inf \(2018\) 07](#).

⁸ [AS/Pol/Inf \(2018\) 09](#).

⁹ See notably Resolutions [2011 \(2014\)](#) “Counteraction to manifestations of neo-Nazism and right-wing extremism”, [2031 \(2015\)](#) “Terrorist attacks in Paris: together for a democratic response”, [2091 \(2016\)](#) “Foreign fighters in Syria and Iraq”, [2103 \(2016\)](#) “Preventing the radicalisation of children and young people by fighting the root causes”, and [2221 \(2018\)](#) “Counter-narratives to terrorism”. Each of them lists practical steps that can be taken.

¹⁰ See for example report no. 639 by Ms Sylvie Goy-Chavent of the French Senate, pp. 58-59.

discrimination practiced against Muslims in the fields of economic, social and cultural integration [could] be based on a xenophobic rather than a religious motive", which seems to be true.

3. Foreign funding of Islam in Europe: a reality which is difficult to pin down, but an undeniable political issue today

3.1. Absence of global aggregated public data

18. The first line of research consisted in trying to quantify the sources of funding of the main religions in the seven states to which the questionnaire were sent. The idea was to identify the share of foreign funding in all the resources available to each religion and determine whether the various Muslim faiths differed from other religions in that respect. In addressing the funding of religions I expected answers concerning activities related to worship (construction of places of worship, maintenance, remuneration of clerics, presence of chaplains in hospitals, prisons or the armed forces, etc.), but I specifically asked the parliaments to specify the exact scope of the funding.

19. In addition, the last question on the questionnaire concerned activities unrelated to worship (the running of religious schools, cultural, charitable and sporting activities etc.).

20. The first thing the replies to the questionnaire made clear was that there are no global aggregated public data that give a clear and complete picture of the sources of funding of the different religions and how the funding – public or private and, more to the point here, domestic or foreign – is broken down.

21. There are a number of reasons for this. They include the lack of any specific regulations on the funding of religions, as in the United Kingdom. There is also the lack of any unified system or approach to the matter in federal states (Switzerland, Germany). In its reply to the questionnaire the Swiss Parliament reported that "in Switzerland there are 26 different ways of regulating relations between the state and the religious communities. As a result, the funding of these different communities is not completely clear."

22. As to the question whether the national laws on the funding of religion made any distinction between donations received from domestic sources (legal entities or individuals) and those received from legal entities or individuals abroad, including states (question no. 7 on the questionnaire), all the respondent Parliaments replied in the negative.

23. In other words, where activities considered to be related to worship are concerned, there is no statistical overview that enables us to measure the scale of foreign funding available to any particular religion, including the Muslim religion in its broadest sense (Shiite, Sunnite and others).

24. This is even more noticeable in respect of activities not directly related to worship.

25. The Rand Corporation think-tank described the current situation rather well when invited in 2014 by the Netherlands Parliament to conduct a survey on *Foreign funding of the Islamic institutions in the Netherlands, a study to assess the feasibility of conducting a comprehensive analysis*.¹¹ The aim was to provide an overview of the scale and scope of foreign financial support to Islamic institutions in the Netherlands, as well as the potential influence that foreign players might exert (even partly) as a consequence of that funding.

26. That report was the first phase of what should have been a three-phase task. However, in a plenary debate of the Parliament on 11 June 2015 the Government recommended "not proceeding with the subsequent phases because the Rand report had found that there was insufficient information to be able to estimate the volume and nature of foreign funding of Islamic institutions in the Netherlands", according to that Parliament's reply. The Parliament followed the Government's recommendation.¹²

27. Yet the lack of comprehensive data does not mean that foreign funding of Islam is a non-subject. Its presence in the public debate today proves the contrary.

¹¹ [Foreign financing of Islamic institutions in the Netherlands – a study to assess the feasibility of conducting a comprehensive analysis](#), Rand Corporation, 2015.

¹² A recent investigation from the Swiss broadcasting SRF showed the lack of data on the financing of mosques, including foreign ones, in German cantons of Switzerland. See SRF, 02/09/2018, [Woher kommt das Geld für die Schweizer Moscheen?](#)

3.2. An undeniable topical issue

28. Three sets of facts prove that this is the case:

3.2.1. The publication of numerous reports

29. In addition to the 2015 Rand report in the Netherlands, the Senate in France looked at local authorities' funding of places of worship in 2015,¹³ and in 2016 at foreign funding, as part of a study on the organisation, role and funding of Islam and its places of worship in France.¹⁴

30. In Belgium the Chamber of Representatives examined the funding of Islam as part of a study on the terrorist attacks perpetrated in the Kingdom on 22 March 2016, and the question of funding by Middle Eastern countries was addressed.

31. In Germany, a progress report (*Zwischenbilanz*) for the government on how the Gulf States exported their religion was drafted in December 2016 by the two federal intelligence agencies, the Federal Intelligence Service (*Bundesnachrichtendienst*) and the Federal Office for the Protection of the Constitution (*Bundesamt für Verfassungsschutz*). This report was partly leaked to the press and appears to have dealt in particular with the "long-term influence strategy" of these states or their related organisations, with a focus on the financial aspect.¹⁵

32. In the United Kingdom on 12 July 2017 the Home Secretary presented the main findings of a report on the funding of extremism to Parliament, including foreign funding.¹⁶ Also in the United Kingdom, a think-tank called the Henry Jackson Society, classified as neo-conservative according to the reply I received from the House of Commons, published an interesting study in 2017 entitled "Foreign funded Islamist extremism in the UK".¹⁷

33. Clearly, therefore, this issue is of considerable interest to public authorities and opinion-makers.

3.2.2. Examples of political announcements and debates

34. In France former Prime Minister Manuel Valls contemplated prohibiting the foreign funding of mosques "for an unspecified period" following the terrorist attack in Nice on 14 July 2016, an announcement that has not yet been followed up and which may not even be legal according to the French Parliament's reply to the questionnaire.

35. In Bulgaria, one of the countries with the largest (8% according to the last census) and longest-standing Muslim minority in Europe, after banning foreign funding of Islam became an issue in the presidential and parliamentary elections of 2016 and 2017, the majority coalition (GERB) and two opposition parties (PSB and DPC) agreed in May 2018 to pass a law modifying the Religious Denominations Act of 2002 to provide for state funding of the two majority religions (Orthodox and Muslim) and, in exchange, prohibit foreign funding of all religions without the prior approval of the Directorate of Religious Affairs. This caused concern among the Catholic authorities. The reason given for this change to the law was to combat radicalisation.

36. In Austria heated debate surrounded the enactment of the law on Islam (*Islamgesetz*) in 2015, which prohibited the funding of religions for day-to-day activities, but I will come back to that.

37. In Germany, following the enactment of the *Islamgesetz* in Austria, the question actually arose in the CDU whether the Austrian law should not be used as a model. The Federal Government's reply was that Germany needed integration, not *Islamgesetz*.¹⁸

3.2.3. Example of a recent controversy

¹³ Information Report No. 345 by Mr Hervé Maurey, March 2015.

¹⁴ Information Report No. 757 by Ms Nathalie Goulet and Mr André Reichardt, July 2016.

¹⁵ Süddeutsche Zeitung, 12 December 2016, [Saudis unterstützen deutsche Salafistenszene](#).

¹⁶ Extremism: Written statement – HCWS39.

¹⁷ Tom Wilson, *Foreign Funded Islamist Extremism in the UK*, Centre for the Response to Radicalisation and Terrorism, Research Paper No. 9 (2017), July 2017.

¹⁸ FAZ, 3 April 2017,

<http://www.faz.net/aktuell/politik/inland/integration-bundesregierung-lehnt-islamgesetz-ab-14955328.html>.

38. In Germany,¹⁹ Austria²⁰ and Switzerland²¹ the different federal prosecution authorities have conducted investigations following accusations made by a former Austrian MP, Mr Peter Pilz, in February 2017, against practices he described as espionage by certain organisations (such as the Union of European Turkish Democrats) and, of relevance to our particular subject, imams or religious leaders who allegedly abused their position to take part in such activities.²² These imams included employees of the Diyanet, the Directorate of Religious Affairs, which answers to the Turkish Government.

39. Clearly then, the question of foreign funding of Islam in Europe is a sensitive issue which is on the political agenda.

4. Foreign funding of Islam in Europe: observations and criticisms

4.1. Observations

40. While it is difficult to know the exact picture with regard to foreign funding of Islam in Europe, the information gathered through sectoral studies, replies to the questionnaire and to the two fact-finding visits enables to draw certain conclusions.

41. The first is that in Sunni Islam private donations are of significant importance, in the form, for example, of voluntary offerings (*sadaqah*) made by Muslims during Ramadan, or the “purifying charity” (*zakat al-fitr*) offered at the end of the month of fasting.

42. If we take the example of the construction and maintenance of mosques in France, a significant matter considering the financial burden this type of activity represents for the community of worshipers, the French Senate, in a report in 2016, estimated that the share of foreign funding was marginal compared with the donations made by the faithful and amounted to approximately 20% of the total cost. In 2015 it reported: “Contrary to common belief, the funding of Muslim places of worship in France by foreign States makes up only a minority share of total funding, most of which comes from donations made by the faithful, although these contributions are much more difficult to supervise. State funding generally goes towards one-off, large-scale projects and is officially declared to the French authorities; in most cases it comes either from the countries of origin of the faithful (mainly Algeria and Morocco) or from Turkey and the Gulf States.”²³ The Senate emphasises that offerings from the faithful in France are more difficult to quantify than foreign funding, which in any event only makes up a marginal fraction of the overall sources of funding.

43. This finding, which does not apply to all Muslim communities, or to all member States, nevertheless brings to mind a second important factor: foreign funding is by no means always the primary source of radicalisation.

44. On the contrary, in the United Kingdom, for example, former Home Secretary Ms Amber Rudd, in a written statement to Parliament in July 2017, presented the main findings of a report her department had prepared on “the nature, scale and origin of the funding of Islamist extremist activity in the UK, including any overseas sources”, stressing the fact that:

- “i. The most common source of support for Islamist extremist organisations in the UK is from small, anonymous public donations, with the majority of these donations most likely coming from UK-based individuals. (...)
- iv. For a small number of organisations with which there are extremism concerns, overseas funding is a significant source of income. However, for the vast majority of extremist groups in the UK, overseas funding is not a significant source.”²⁴

45. The extremist threat is therefore mainly funded by sources inside the United Kingdom.

¹⁹ The Independent, 1 April 2017, Lizzie Dearden, [Germany opens investigation into Turkish group accused of spying on Erdogan opponents in 35 countries](#).

²⁰ Wiener Zeitung, 17 February 2017, [Spitzelaffäre um Moscheenverbände zieht weitere Kreise](#).

²¹ Le Monde, 24 March 2017, [La Suisse ouvre une enquête sur l’espionnage de Turcs sur son territoire](#).

²² The Pilz “report”, entitled “Turks, beware” (*Sei Wachsam, Türkei*) is to be taken with caution in my opinion. But its publication was taken seriously by the authorities in three countries, and produced a number of practical consequences, such as the recall to Ankara of the religious attaché from the Turkish Embassy in Austria, or the launching of several administrative investigations into the functioning of the ATIB, the local branch in Austria of the Directorate of Religious Affairs (*Diyanet*), formerly attached to the office of the Turkish Prime Minister.

²³ Response of the French Parliament to the questionnaire, question no 4.

²⁴ Home Office, Extremism - [Written statement HCWS39](#).

46. A third point is something I already mentioned in my introduction: lack of transparency in the funding of Islam in certain countries arouses suspicion.

47. In its reply to the questionnaire, for example, the German Parliament refers to statements made by an Islamologist based in Germany in 2016 indicating that no systematic survey had been carried out on foreign funding of Islam, that she had frequently heard rumours of financial support from abroad but without further details and, above all, that it was an issue people avoided addressing.

48. The subject should not be taboo, however, especially in countries, like Germany and Austria, where a church tax exists. In these countries representatives of Islam could apply for funding from the tax. Then much of what the faithful contributed in the form of private offerings could be collected by the public authorities and paid to the religions concerned. The sums transferred in this manner, while not public funds, would then be perfectly transparent, which they are not today.

49. I have given thought to this failure to use the church tax. The German Parliament informed me that “most Muslim communities are opposed to the state introducing a church tax because it would be in contradiction with the image they have of themselves”.

50. I also spoke to the President of the IGGÖ, the main organisation of the Muslim faith in Austria, who was very clear: while charity is one of the five pillars of Islam and is therefore a duty of the faithful, it must not be compulsory, as a church tax would be. He did tell me, however, that as the 2015 *Islamgesetz* had prohibited foreign funding the IGGÖ was now considering the possibility of introducing a church tax for the Muslims it represented, although I am unaware whether the idea has been followed up or abandoned.

4.2. *Categorising the criticisms voiced about foreign funding of Islam*

51. Foreign funding of Islam in Europe, the organisation of which takes many different forms, generates three main types of suspicion, of differing intensity.

4.2.1. *Foreign funding and terrorism*

52. The first concerns security and is linked to terrorist activities and radicalisation. It is claimed that foreign organisations, under the guise of funding for religious or charitable activities, help set up support networks on the territory of member States, as has been done by Daesh, either to carry out attacks or to pay the travel expenses of potential recruits to areas controlled by Daesh.²⁵

53. The problems raised by this type of funding are real but are clearly identified, and member States generally have a range of legislative measures and resources enabling them to track these funds and punish any criminal behaviour.

54. At the request of the Council of the European Union, the Commission has moreover proposed a revision of the 4th Anti-Money Laundering Directive (2015/849) adopted on 20 May 2015. The proposed amendments are designed to address the possible threats linked to the use of new technologies in financial transactions, strengthen and harmonise checks on financial flows from high-risk third countries, increase transparency and confer more powers on national financial intelligence units.

55. At Council of Europe level, Moneyval, a permanent body whose task is to assess compliance with the principal international standards to counter money laundering and the financing of terrorism, has launched a “Fact-finding Initiative” to establish the truth about the funding of terrorism.

56. It is clear that this no longer concerns the funding of Islam, however, but rather the funding of terrorism.

4.2.2. *State instrumentalisation of religion*

57. The second criticism of foreign funding one frequently hears today is the use of religion by states for political purposes, as a means of exerting influence in a foreign country.

²⁵ See [Resolution 2211 \(2018\) on Foreign funding of Daesch: lessons learnt](#).

58. Very clearly, the states criticised are those such as Turkey, primarily with regard to the Diyanet, Iran in the United Kingdom²⁶ and in Germany²⁷ and, for a large number of member States, the Gulf States of Saudi Arabia, Qatar, the United Arab Emirates and Kuwait, acting either directly as states, which is rare, or through mixed organisations or foundations of various types.²⁸

59. In this list Turkey occupies a special place. The Diyanet sees Islam as one of the features of the identity of Turkish citizens living abroad or European citizens of Turkish origin and, as such, part of a political strategy based on a mixture of religious beliefs and national pride, which some observers have called Islamo-nationalism. Thus, even if the Diyanet trains, sends and pays the salaries of imams in mosques controlled by its local branches, like the ATIB in Austria or the DITIB In Germany, their goal is by no means messianic.

60. By contrast, the Gulf countries finance organisations which the German intelligence services, in a progress report, have claimed are pursuing a “long-term influence strategy”, promoting the “exportation of their religion” and engaging in the creation of Salafist networks in Europe with a “missionary” role.²⁹

61. There is abundant literature on these countries in which the names of the following organisations regularly appear: the Sheikh Eid Charity Foundation, the Qatar Charity, Al-Muntada Trust, based in Qatar, the World Islamic League (LIM) and the International Islamic Relief Organisation (IIRO), founded by the LIM, the World Assembly of Muslim Youth (WAMY), based in Saudi Arabia and the Revival of Islamic Heritage Society (RIHS), based in Kuwait. To differing degrees all these organisations have been criticised because of the opacity of some of their activities, be it building mosques³⁰ or religious schools, sending imams, supplying books or doing charity work. Some have been accused of funding not only Salafist groups but also terrorists.

62. Some of the Gulf countries under suspicion are believed in recent years to have increased their supervision of private donations collected on their territory for use abroad, especially the *zakat*.³¹ In addition, Qatar’s Minister of Finance, Mr Ali Sharif al-Emadi, stated on the occasion of the international conference in Paris against the funding of terrorism in April 2018 that any aid project of a Qatari non-governmental organisation (NGO) would henceforth require the authorisation of the country for which it was intended, and also that all NGOs would have to transfer their donations through the Red Crescent, which is under the control of the Qatari state.³²

63. In spite of my research I have been unable to establish precisely what measures might have been taken. The subject is worth exploring. At the same time one might legitimately wonder if a country like Saudi Arabia can easily abandon its strategy of exporting a vision of Islam, Wahhabism, which is a form of Islamism, when its budget for promoting it abroad is purported to have increased from 2 to 4 billion dollars between 2007 and 2015.³³ On the other hand, the Kingdom’s current policy of openness, including in religious matters, might be a sign of change.

64. As regards foreign state or parastatal funding, the debate is relatively clear-cut and it is up to member States to differentiate between what is quite naturally a conventional strategy of influence, acceptable to a

²⁶ See Foreign Funded Islamist Extremism in the UK, op. cit. p. 7, which refers to organisations such as the Islamic College of Advanced Studies in Willesden, London and the Islamic Centre of England in Maida Vale allegedly promoting Khomeinist doctrine and anti-Semitic conspiracy theories. It is claimed that these organisations are directly funded by Iran.

²⁷ See the reply of the German Government to the parliamentary question from Green members of parliament on links between Shi’ite organisations and the Iranian regime, [Deutscher Bundestag, Drucksache 18/133362](#) of 21.08.2017.

²⁸ See Foreign Funded Islamist Extremism in the UK, op. cit., pp. 3-6, or the interview in *Die Welt* of Hans-Georg Maaßen, the head of the Federal Office for the Protection of the Constitution, in which in response to a question on the construction of mosques in Germany using Saudi funds, he said that such funds did not come from the Saudi state itself. *Die Welt* (online), 10.04.2016, [Die IS-Propaganda nennt auch deutsche Städte](#).

²⁹ *Deutsche Welle, Unter dem Deckmantel der Hilfsbereitschaft*, 14/12/2016, <https://www.dw.com/de/unter-dem-deckmantel-der-hilfsbereitschaft/a-36757769>.

³⁰ The head of the Federal Office for the Protection of the Constitution, referring to Saudi funding for the construction of mosques, said “In my opinion, some of the Arabic-speaking mosques, of which there is a growing number in Germany, are not moderate. Several of them are fundamentalist or are being monitored by the Federal Office for the Protection of the Constitution because of their Salafist leanings”. *Die Welt* (online), 10.04.2016, [Die IS-Propaganda nennt auch deutsche Städte](#) (IS propaganda also names German cities).

³¹ French Senate report no. 757 p. 60.

³² *Le Figaro*, 26/04/2018, [Funding of terrorism: Qatar to bring in closer monitoring of charitable organisations](#) (in French).

³³ Chosky, C.E.B. & Chosky, J.K., “The Saudi connection: Wahhabism and Global Jihad”, *World Affairs*, May/June 2015, quoted by Foreign Funded Islamist Extremism in the UK, op. cit., p. 3.

greater or lesser degree, what relates to espionage activities and what contributes to the development of radicalisation and extremism.

4.2.3. *The challenge to the idea of living together*

65. Over and above the activities financed or the origin of the funding, the main issue at stake is the social cohesion, the “living together”, which political Islamism threatens.

66. Noting that our legal systems differed widely in their organisation of the various religions, our colleague and former President Ms Anne Brasseur emphasised at the hearing of the former French Minister of the Interior and of Religious Affairs, Mr Jean-Pierre Chevènement, before the Committee on Political Affairs and Democracy that our “Bible”, where rights and freedoms were concerned, was the European Convention on Human Rights, which reflects the values we share and is the foundation on which our living together rests.

67. In his report on “Islam, Islamism and Islamophobia in Europe”, mentioned earlier, our colleague Mogens Jensen said precisely that in paragraph 74: “Europe’s values – human rights, democracy and the rule of law – ensure peaceful cohabitation” and we should “reject the establishment of a parallel society”.

68. Here my feeling is that Council of Europe member States should be able to put a stop to foreign funding which helps to spread ideas clearly at odds with the ECHR, even though it may not necessarily lead to radicalisation or fuel unlawful behaviour such as hate speech.

69. This is the case, for example, when the aim and indeed the effect of the funding is to discourage the integration of Muslim communities in the countries they live in and encourage them to keep to themselves. One example of this is the analysis made by Spain’s intelligence service, the CNI, in 2011, regarding the funding of the construction of two mosques in Reus and Torredembarra in Catalonia, by the Kuwaiti organisation RIHS. The CNI reported that “the interpretation of the religion disseminated there was anti-integration into Spanish society, encouraging separation and hate towards non-Muslim communities”.³⁴

70. Member States should also be able to put a stop to attempts to indoctrinate the youth made by instrumentalising religion. This seems to have been the case in Austria in a kindergarden in Vienna where a structure linked to Diyanet insisted in its pedagogical project on “Turkishness” and the religion³⁵

71. The challenge to living together can, of course, arise when Muslim communities become the theatre of confrontations between outside powers who export their conflicts or their politico-religious tensions. That is the case in certain Balkan countries where Turkey’s Diyanet has been present since 2001 and where it clashed with the Gülenists after the attempted coup against President Erdoğan. Certain pro- or anti-Muslim Brotherhood Gulf States also export their differences there, by funding mosques and sending imams.³⁶

5. **Examples of action taken in respect of foreign funding of religions**

72. Depending on the situation they are faced with and how relations between public authorities and religions are organised, member States have adopted fairly different approaches to the foreign funding as is shown in the following three examples.

5.1. *The Russian example*

73. Federal Law no. 341-FZ of 28 November 2015 amended Federal Law no. 125-FZ of 26 September 1997 on freedom of conscience and religious associations. It introduced two types of provisions.

74. First it required religious associations receiving funds from abroad to make fuller declarations (new section 25). Now those associations must present accounts which separate funds received from abroad and explain what they are used for. They are also required to submit an annual report to the federal authority responsible for their registration, describing their activities, the membership of their decision-making bodies,

³⁴ *El País*, *El CNI alerta de que seis países musulmanes financian al islamismo*, 31/07/2011.

³⁵ This was the case of the *Kindergarten Marienkäfer*. See Die Presse, 05/05/2018: [Neue Vorwürfe gegen Kindergarten in Wien](#).

³⁶ See the French Senate information report on the Balkans drafted by two former Assembly members, Pierre-Yves Le Borgn’ and Jean-Claude Mignon, no. 4550, pp. 97-102.

the purpose of the expenditure or the use made of the funds received. They must also post this report on line.

75. The second important provision (section 1, 2 b) 4 of the amendment) authorises the federal registration authorities to require them to submit documents, and also to carry out inspections without prior notification. In both cases this possibility concerns religious associations which receive foreign funds or in respect of which there are signs of extremist or unlawful activities.

76. This law was a cause of concern for most religions, except the Orthodox Church, which seemed to be the only one not affected by it. The association of foreign funding and “signs of extremist activity”, on the other hand, was interpreted as a sign that the Russian authorities were targeting Muslim communities.

77. Although the federal law on “foreign agents” does not affect religious associations, the 2015 law was seen as part of the current climate of clampdowns on any independent public activity. Furthermore, the mention of “signs of extremist activity” is a direct reference to the federal legislation on extremist activities, i.e. terrorism. And that law was criticised by the Human Rights Committee in 2015, on the occasion of the 7th periodic report on the implementation by the Russian Federation of the International Covenant on Civil and Political Rights. On that occasion the Committee called on the Russian Federation to clarify its definition of “extremist activity”, which did not require any presence of violence or hatred³⁷ and was vague and open-ended.

5.2. The Austrian example

78. The *Islamgesetz*,³⁸ passed in 2015, updated a law of the Austro-Hungarian Empire dating from 1912 regulating relations between the authorities and Muslim communities. The 2015 Act defines the rights and duties of “the Islamic religious community in Austria” and “the Alevi community in Austria”.

79. According to the Austrian authorities there are between 500 000 and 700 000 Muslims in Austria, half of whom have Austrian nationality. That is approximately 8% of the country’s 8.7 million population, making it proportionally one of the largest Muslim communities in Western Europe.

80. Austria has a system of acknowledgment of the different religions (15 in all), with which its relations are organised either by a specific text, as in the case of Islam, or based on a general text dating from 1874.

81. The 2015 Act originated in a proposal made by the Expert Council for Integration, an independent body, in its 2011 annual report on integration. Noting the importance of religions in the integration process, the Council had identified a gulf between the immigrant populations practising traditional Islam and the rest of the population, explained that this gulf was caused more by cultural differences than by religious differences and considered that it was for the public authorities to help familiarise the Islamic community with the Austrian way of life.

82. According to the Council the important thing was to reaffirm the benefits of living together within a framework of immutable values.³⁹ The desired effect was to help rid the population of its fears, prejudices and concerns. To achieve this, the Council recommended setting up a forum for dialogue, along the lines of the *Islamkonferenz* established in Germany in 2006.

83. In 2012 a *Dialogforum Islam* was established in Austria, made up of seven working groups composed of experts from different backgrounds. It presented a report in 2013 with several recommendations, including for amendments to the *Islamgesetz*, which would be enacted two years later.

84. One of the aims of this text was to foster an “Austrian Islam” on a “give and take” basis.

85. On the one hand the Islamic religious community would be given full recognition (authorisation to manufacture products in compliance with Islamic rules, provision for Muslim dietary requirements in the army, prisons, hospitals, public teaching establishments, etc.). In addition a faculty of Muslim theology was established in the public university of Vienna, with six teaching/research posts, which in addition to

³⁷ UN Human Rights Committee, Concluding observations on the seventh periodic report of the Russian Federation, 28 April 2015, CCPR/C/RUS/CO/7.

³⁸ *Bundesgesetz über die äußeren Rechtsverhältnisse islamischer Religionsgesellschaften* – BGBl. I Nr. 39/2015.

³⁹ “These are above all the core values of a democratic constitutional legal system and revolve in particular around the key words of human rights and fundamental freedoms, the role of men and women, education and freedom of thought.” *Expertenrat, Integrationsbericht*, 2011, p. 33.

conducting research would train imams and teachers of Muslim religion in public and private teaching establishments (infant schools and lower and upper secondary schools).

86. In exchange, the religious organisation with legal capacity to represent the Islamic community was required to renounce foreign funding for “everyday religious activities” (§ 6, 2 of the Act) and to provide for its own financial independence. This was an attempt by the Austrian authorities to reduce the influence which ATIB, the local branch of the Diyanet in Austria, had acquired by sending imams trained in Turkey and paying their salaries and the overheads of the mosques they administered.

87. The *Islamgesetz* was passed by the majority at the time – conservatives of the ÖVP and social democrats of the SPÖ. Although it came under criticism during the parliamentary debates, it is important to note that the ban on foreign funding was generally well received, the main criticisms voiced against it being that it did not go far enough, or that it should have been applied to all religions.

88. In this connection I identified three types of criticism during my fact-finding mission to Vienna.

89. One concerns the effect produced both by the debate in 2015 and by certain provisions of the law: a general feeling of suspicion towards Muslims. While section 2.2 of the Act stipulates that religious communities and their members cannot put their religious laws above Austrian law, no such condition is found in any text regulating relations between the Austrian state and other religions, so it is not hard to understand why this affirmation, inoffensive in itself, might upset a member of the faith. A representative of the Austrian authorities explained that this principle was already included in the law of 1912, but that is not a satisfactory response because when updating the law the authorities could quite easily have deleted that provision, which is of no real legal consequence. The same criticism was voiced concerning section 6.1 of the Act, which requires the application file for the creation of a Muslim religious society to include, amongst other things, a presentation of the doctrine and the founding texts of that religion, something none of the other religions officially authorised in Austria are required to do.

90. The second criticism flows from the first and also concerns the prohibition of foreign funding: differential treatment. Sections 2.2 and 6.1 of the Act already imposed obligations that concerned only the Muslim faith. The same applies to the ban on foreign funding, regarding which the Green group in the Austrian Parliament rightly remarked that it should apply to all religions. What justification can there possibly be for allowing the Mormon or Greek Orthodox congregations in Austria to continue to receive foreign funding when Muslims are not allowed to?

91. The third and last criticism specifically concerns this ban. The Act does allow for some foreign funding of the Muslim faith, but only by “foundations” (*Stiftung*), without clearly explaining the rules applicable to them. As a result, some critics considered either that the law was easy to circumvent, or that the law did not make it clear enough exactly what type of foreign funding it was really meant to prohibit.

92. In June 2018, following a scandal in a Viennese mosque run by the Grey Wolves, an extreme right-wing Turkish organisation, the Austrian Government appear to have made use of the 2015 Act for the first time to close seven mosques and send some 40 ATIB imams home.⁴⁰

5.3. *The UK example*

93. In a country where the state is reluctant to interfere in religious affairs and there are no special regulations governing the funding of religions, the UK authorities have stuck to their traditions. After the statement presented by the Home Secretary (see paragraph 44), the Charity Commission introduced stricter rules on the transparency of “charities”, which provide the framework for the organisation of religions in the United Kingdom, with a fairly flexible status.

94. The measure exclusively concerned the imposition of new obligations in respect of the annual reports published by charities. Starting in 2019 they will all have to list the countries from which they receive donations and exactly where each donation came from (government, paragonovernmental body, association, NGO, civil society organisation). In addition, those with an annual income of more than GBP 25 000 pounds will have to state the total value of the donations made by individuals and institutional donors outside the United Kingdom. Charities with annual revenues of less than GBP 25 000 pounds will have to mention these donations if they make up over 80% of their annual income. Another piece of information that will have to be included in the annual report is the use of informal money transfer schemes located outside the United Kingdom, such as cash couriers and *hawala* networks, which are traditional informal means of payment.

⁴⁰ *Die Presse*, 08/06/2018, *Moscheeschließungen für Türkei "islamophob" und "rassistisch"*.

95. The only criticism I was able to identify is that of Bond UK, an organisation which presents itself as a network of civil society bodies working in international development and has links with the Bill & Melinda Gates foundation. They say that by focusing on foreign funding the United Kingdom is sending the wrong signal to authoritarian states which use the same means to monitor and obstruct the work done by NGOs which depend on outside funding. Personally, I make a distinction between requiring greater transparency and restricting freedom of association. In this case we are far from the latter in my opinion.

96. In parallel with these limited measures the United Kingdom is focusing its efforts on the issues of education and living together.

97. From 2014 onwards, for example, in the wake of what was known as the “Trojan Horse” case in schools in Birmingham, where forms of entryism fostering an ultra-rigorous vision of Islam seemed to be developing, a policy to prevent extremism in UK schools was introduced. Ofsted, the educational standards authority, began to promote respect for “fundamental British values” in order to ensure that the teaching dispensed in schools financed with public funds and in certain “independent” schools which received no public financial support did not foster religious extremism. Ofsted’s Director, Ms Amanda Spielman, whose positions on the matter are rather unambiguous, told Church of England representatives that “rather than adopting a passive liberalism that says anything goes, for fear of causing offence, schools leaders should be promoting a muscular liberalism”, which meant “not assuming that the most conservative voices in a particular faith speak for everyone”.⁴¹

98. In addition, on the issue of the Sharia councils,⁴² informal councils which take decisions mainly on family matters under Islamic law but have no regulatory powers, the Government called for an investigation into how they function and is examining two of the three recommendations submitted to it.⁴³

6. Any restriction on foreign funding of religions must comply with the framework laid down by the Council of Europe

99. Whatever measures member States may take or consider taking to regulate foreign funding of religions, they are bound by a framework of legal and moral standards.

6.1. The requirements to be met according to the European Court of Human Rights and the Venice Commission

100. Freedom of religion is protected by Article 9 of the ECHR,⁴⁴ the second paragraph of which reads: “Freedom to manifest one’s religion or beliefs shall be subject only to such limitations as are prescribed by law and are necessary in a democratic society in the interests of public safety, for the protection of public order, health or morals, or for the protection of the rights and freedoms of others.”

101. Both the European Court of Human Rights and the Venice Commission have explained the scope of these restrictions and the margin of appreciation open to member States.

102. The Court has established the general principle that “the autonomous existence of religious communities is indispensable for pluralism in a democratic society”,⁴⁵ while acknowledging that there is no common European standard governing the financing of churches or religions, such questions being closely related to the history and traditions of each country, so that “the margin of appreciation left to Contracting States in this regard is thus a wide one”.⁴⁶

⁴¹ BBC, 1 February 2018, [Religious extremists “trying to pervert education”](#).

⁴² Sharia councils are included in the current reflections of the Committee on Legal Affairs and Human Rights on the Compatibility of Sharia law with the European Convention on Human Rights: can States Parties to the Convention be signatories of the ‘Cairo Declaration’? Introductory memorandum, Rapporteur Meritxell Mateu, AS/Jur(2016) 28.

⁴³ Home Office – Faith Practices – [HLWS432](#).

⁴⁴ Article 9.1: “Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief and freedom, either alone or in community with others and in public or private, to manifest his religion or belief, in worship, teaching, practice and observance.”

⁴⁵ *Supreme Holy Council of the Muslim Community v. Bulgaria*, application no. 39023/97, judgment of 16 December 2004.

⁴⁶ *Klein and Others v. Germany*, application no. 10138/11 and 3 others, judgment of 6 April 2017, § 87.

103. Based on this principle of autonomy, the Venice Commission has considered that in terms of the financial aspects of religious autonomy, “the right to ask and receive voluntary donations is inherent to religious activities”.⁴⁷

104. It has also declared that while states have legitimate reasons for regulating fund transfers of various types, provisions that discriminate against religious groups on religious grounds should not be permitted.⁴⁸ Furthermore, any regulation of such transfers must be “proportionate”.⁴⁹

105. Having established that “a blanket prohibition on all foreign funding (especially by foreign natural persons) is arguably unreasonable, and ‘not necessary in a democratic society’”,⁵⁰ which might have suggested that greater tolerance applied to bans on funding by a foreign state or legal entity, the Venice Commission had occasion to reiterate that principle in 2018 with regard to the funding of religious organisations by “their spiritual centres located outside of the territory”.⁵¹

6.2. *The framework laid down by the Assembly*

106. This framework is established mainly in [Resolution 1743 \(2010\)](#) “Islam, Islamism and Islamophobia in Europe”, adopted on the basis of a report drafted by our colleague Mr Mogens Jensen. In it we reconcile supervision and freedom of religion by clearly stating four principles:

- “Muslims are at home in Europe, where they have been present for many centuries, as the Assembly noted in its [Recommendation 1162 \(1991\)](#) on the contribution of the Islamic civilisation to European culture.” (§ 3 of the resolution);
- “The Assembly notes with concern (...) that some Islamic organisations active in member States have been initiated by governments abroad and receive financial support and political guidance from those governments. (...) National political expansion into other states under the guise of Islam should be brought to light. (...) member States should require transparency and accountability of Islamic as well as other religious associations, for instance by requiring transparency of their statutory objectives, leadership, membership and financial resources.” (§ 7 of the resolution);
- “The Assembly also remains concerned at policies and practices (...) that discriminate against Muslims and at the danger of the abuse of popular votes, initiatives and referenda to legitimise restrictions on the rights to freedom of religion and expression which are unacceptable under Articles 9 and 10 of the Convention.” (§ 13 de la resolution);
- “Stereotypes, misunderstandings and fears with regard to Islam are typical symptoms of a widespread lack of adequate knowledge among non-Muslims in Europe.” (§ 20 of the resolution).

107. These conclusions are confirmed by the report on “Freedom of religion and living together in a democratic society”, drafted by our colleague, Mr Rafael Huseynov, and by [Resolution 2076 \(2015\)](#).

7. **Conclusions and recommendations**

108. As a result of my research I have acquired the following convictions.

109. In order to dedramatise the debate we politicians must first reaffirm that not all foreign funding of Islam is a problem *per se* and that it can, on the contrary, contribute to inter-faith dialogue or religious openness. We must also remember that, in certain countries, foreign funding makes up only a small fraction of the resources of the Muslim faiths, most of which stem from private donations.

110. Furthermore, the diversity of situations in member States reveals that for some the danger of extremism is mainly endogenous; others are faced with what they perceive as interference by foreign agents in the religious freedom of their residents.

⁴⁷ [CDL-AD\(2006\)030](#), Joint Opinion on the Draft Law on the insertion of amendments on Freedom of Conscience and Religious Organisations in Ukraine, § 34.

⁴⁸ [CDL-AD\(2004\)028](#), Guidelines for legislative reviews of laws affecting religion or belief, p. 14.

⁴⁹ [CDL-AD\(2012\)022](#), Joint Opinion of the Venice Commission and the OSCE/ODIHR on the Law on Freedom of Religious Belief of the Republic of Azerbaijan, § 98.

⁵⁰ [CDL-AD\(2011\)028](#), Joint opinion on the draft law on Freedom of Conscience and Religion of the Republic of Armenia, § 76.

⁵¹ [CDL-AD\(2018\)002](#), Armenia - Joint Opinion on the Draft Law amending the Law on Freedom of Conscience and Religion, § 74.

111. The use of religion by certain states as a means of exerting influence in a foreign country is clearly problematic. In this respect, it is essential that Council of Europe member States should be able to put an end to any foreign funding of Islam which is used for the purpose of national political expansion into other States under the guise of Islam. They should also be able to reject all attempts of interference in their territory by foreign organisations which aim to put in place a parallel society, and not to allow foreign funding to reach any organisations which undermine human rights and dignity and oppose living together as guaranteed by the principles of democracy, the rule of law and human rights. In particular, any foreign attempt to indoctrinate the youth must be prevented.

112. For the rest, the increased transparency in foreign funding of Islam, which the Assembly has been calling for since 2010, can only be a good thing. It could be achieved, for example, through annual financial reports clearly identifying the origin of any foreign funding and how it is used and should cover funding received through informal transfer systems, such as money brokers or *hawala* networks. The transparency requirements should not however contribute to the restriction of freedoms and should effectively concern all religions equally. The UK example is extremely instructive in this regard. Especially as it concerns formal as well as informal sources of funding.

113. Also on the subject of transparency, in addition to any standards member States may impose, they would be well advised to encourage believers who donate to organisations with activities abroad to find out more about the organisations they are donating to, and also to encourage organisations which receive foreign funding to find out more about the people behind those donations. A joint effort with the religious communities on this subject would be welcome, like the one I was able to observe with the London Central Mosque Trust and the Islamic Cultural Centre.

114. When regulations with drastic effects are put into force, as was the case in Austria, it is important, in addition to respecting the framework laid down by the Council of Europe, to prepare those regulations by means of a broad consultation, with clearly defined objectives, as did the Expert Council and the *Dialogforum*. It is also essential to ensure that the regulations concerned are not instrumentalised for political purposes but shaped, to use the expression Mr Chevènement used before our Committee, by the desire to make Muslim citizens citizens like any other, who enjoy the same rights, in religious matters as in public life. Indeed, that was exactly what Austria's Expert Council said.

115. Whatever reservations one may have about an Austrian-style reform, one should not underestimate the positive aspects of some of its collateral effects. Firstly, the *Islamgesetz* considerably increased the role of the IGGÖ religious authority as a speaking partner of the Austrian authorities by strengthening its influence over the religious associations and communities affiliated to it. It is a well-known fact that the mosaic of Islam has always been a challenge to the efforts of public authorities to organise it.

116. The *Islamgesetz* could also "normalise" the funding of Austria's Islamic religious community, for as I have already said, IGGÖ is contemplating applying for support from the church tax. Hopefully, funding which makes transparent donations which were previously private and invisible and which works in the same way as that of other religions would help to allay suspicions. Interestingly, other member States have undertaken this normalisation of the funding of the Muslim religion, such as Italy, which in February 2017, following the signature of a national pact for an Italian Islam between the Government and organisations representing the Muslim community, decided to allow Muslim Italian citizens to use the 8 per 1000 system, that is, to voluntarily donate 8 thousandths of their income to their religious community, as other believers do.

117. Another significant trend, which the Austrian example also illustrates, is the growing awareness in member States that training imams on European soil is a high-stakes issue. It is no doubt in this area that the regulation of the funding of Islam is most pertinent. Again, as Mr Chevènement said, the appropriate response to the rudimentary and literalist Salafist theology which cultivates the breeding ground from which terrorist acts can grow is to promote an enlightened Islam.

118. This requires substantial means, as shown by the *Islamgesetz*. But it is one of the best ways of catering for the needs of the Muslim community and making sure they do not use imams trained abroad whose vision of Islam is not compatible with the values of the European Convention on Human Rights or the societies in which Muslims live. Any project to open faculties of theology to promote a European Islam is worth encouraging, such as that of the Foundation for Islam in France, which intends to open one at the University of Strasbourg, in partnership with the University of Tübingen.

119. I should like to conclude with the results of two recent European studies on the place of Muslims in Europe – one by the European Union Agency for Fundamental Rights (FRA), from July 2017,⁵² and the other by the Bertelsmann Foundation, from August 2017.⁵³ These two studies show four things.

120. Firstly, that Muslims in the European countries concerned feel a strong attachment to the countries they live in, with a level of confidence in their democratic institutions higher than that found in the general population. At the same time, they maintain strong ties with their countries of origin or those of their ascendants. Thirdly, the Muslims interviewed are more religious than other communities. And finally, discrimination against them remains high and they form one of the most rejected social groups.

121. In other words, integration does seem to have progressed over the last fifteen years, but the specific identity of our Muslim citizens and residents remains, as does the Islamophobia of which they are victims. It is for member States to take that specific identity into account, including the needs of Muslim citizens in terms of practicing their religious freedom, and therefore of funding, and to combat Islamophobia. We all know that while foreign funding can facilitate radicalisation, Islamophobia is without a doubt one of its breeding grounds.

⁵² Second European Union Minorities and Discrimination Survey, Muslims – Selected findings.

⁵³ Muslims in Europe, Integrated but not accepted?